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USAID'S BUSINESS ENABLING PROJECT

QUARTERLY REPORT: SECOND QUARTER 2014

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PROJECT OVERVIEW

USAID's Business Enabling Project, implemented by Cardno Emerging Markets USA, is a five-year initiative launched in January 2011. The purpose of the Project is to help the Government of Serbia (GoS) improve the competitiveness of the Serbian economy and its private sector businesses. The Project provides technical assistance, training, and other support to improve the business enabling environment, maintain macroeconomic stability, and further develop financial markets. The Project is demand driven: all activities are based on the priorities of the private sector and GoS.

The Business Enabling Project (BEP) consists of three major components:

- **Component 1, Business Regulation and Economic Governance**, streamlines laws, regulations, and institutions; improves regulators' capacity to implement laws; and improves analysis and public-private dialogue.
- **Component 2, Macroeconomic Policy and Public Financial Management**, helps the Government implement new budget and fiscal responsibility laws, improve budgeting, increase public disclosure and transparency, strengthen public debt management, and improve economic analysis and forecasting.
- **Component 3, Financial Market Development**, improves regulatory frameworks for non-bank institutions, develops capacity to strengthen and expand capital markets, and improves conditions for debt market development.

GoS Partners

BEP works in partnership with the following GoS institutions under joint work plans and action plans:

- Ministry of Agriculture, Forestry and Water Management
- Ministry of Construction and Urbanism
- Ministry of Finance
- Ministry of Economy
- Ministry of Foreign and Internal Trade and Telecommunications
- Ministry of Labor, Employment and Social Policy
- Ministry of Justice and Public Administration
- Public Debt Administration
- Office for Regulatory Reform and Regulatory Impact Assessment
- Securities Commission
- Fiscal Council (independent body)

The project's approach to achieving reforms is to help the GoS work closely with the private sector and outside experts to make reforms that improve business competitiveness. The reforms reduce the time and money spent by Serbian businesses to comply with laws and regulations and help the GoS to be more efficient. The reforms also enable businesses to attract necessary investment at an appropriate cost. As result, Serbian businesses have a better chance to be competitive in the global economy, leading to export-led economic growth and increased employment.

BEP uses a 19 person staff (18 Serbians, one expatriate), substantial Serbian and expatriate medium and short term advisors, four interns, and a grants fund to provide technical assistance to GoS and other counterparts.

HIGHLIGHTS DURING THE REPORTING PERIOD

This report covers the twelfth quarter of BEP's operation – April 1 to June 30, 2014. We want to highlight the following noteworthy activities during the period:

BEP is supporting the National Bank of Serbia (NBS) in developing a transactional real estate database. BEP has identified collateral valuation as a major constraint to lending in Serbia, since uncertain or inaccurate valuations lead banks to impose overwhelming collateral requirements on business and decreases access to finance. Collateral valuation also negatively affects the banking sector and its stability since the value of bank assets is often uncertain. BEP engaged a well-respected valuation expert, Krzysztof Grzesik (who is Vice President of the European Group of Valuers' Associations (TEGoVA)) to help the GoS develop a competent real estate valuation profession and develop reliable sources for sound real-estate valuation. Mr. Grzesik is helping the NBS develop a national real estate transactions database that the NBS will host, maintain and lead. This database will contain information necessary for sound collateral valuation, detailed analysis of the real estate

market, and calculation of the real estate value index for Serbia. The database should be finalized and operational within the next three months. The BEP team and Mr. Grzesik are also advising the Ministry of Finance on means to create a “professional and competent” valuation profession. BEP is awaiting Minister Krstic's decision on the Ministry's role in this reform and timelines for various activities.

BEP and the Ministry of Finance (MoF) continued their progress with Program Budget Implementation. BEP continued the series of workshops with budget users so they can implement the program budgeting model for the 2015 budget. Through the workshops the BEP team helped budget users develop initial program structures, i.e. establish Programs, Project Activities, and Projects in line with their key competencies and objectives. Medium-term goals and performance indicators related to each goal will be discussed and integrated into the established program budget structure at subsequent workshops.

BEP helped the Ministry of Finance and National Bank of Serbia accelerate efforts to develop a microfinance industry in Serbia. BEP brought in an international expert on SME access to finance, Maria Doiciu, to estimate financial market impacts of establishing a regulatory environment that enables non-bank financial institutions (NBFIs) in Serbia. Both the MoF and NBS reacted positively to potential regulatory and business models for developing NBFIs and microfinance institutions (MFIs) provided by a previous BEP consultant. As a result, the MoF and NBS asked BEP to estimate the new capital infusion and other positive impacts of introducing NBFIs in Serbia, as input to the design of a regulatory framework. Ms. Doiciu's report will be presented to the MoF and NBS in August, with subsequent public release. As a result of preliminary results of the report, and BEP's previous advocacy and analysis the MoF has agreed to move forward to establish the necessary regulatory framework for NBFIs and MFIs.

Prime Minister Vucic announces reforms including laws involving BEP assistance.

On April 27, Prime Minister Aleksandar Vucic announced during his keynote speech to the new National Assembly that the government would undertake several reforms that BEP has been assisting with and advocating for. The program he announced included reforms of the Labor Law, Law on Planning and Construction, Bankruptcy Law, Law on Privatization, Insurance Law, Civil Servants Law, Law on Mortgages, and Law on Office for Quick Responses, all to be passed by June. All of these pieces of legislation are aimed at improving the business environment. BEP has had a leadership role in preparing the analytical basis and drafting of the Labor Law and Law on Planning and Construction, and has provided advice on Bankruptcy Law and the Office for Quick Responses. The reforms announced are a direct result of the constant advocacy by BEP and our partners.

BEP and NALED evaluated reform of non-tax and para-fiscal charges. BEP and NALED finalized an analysis of the implementation and impacts of 2012 and 2013 modifications to the Budget System Law and the 2013 Rulebook on Methodology for Calculation of Fee Amounts. The analysis shows that, apart from the limited effect of the elimination of para-fiscal fees and charges, businesses are yet to feel any significant relief. For instance, the government has failed to fully implement provisions of the Budget System Law governing consent and supervision powers of the Ministry of Finance (MoF) and local authorities with regard to non-tax and para-fiscal charges. The government has also failed to implement provisions requiring payment of only one fee for one public service, and ensuring fee amounts are proportional to the public service provided. Further, the methodology for calculating fee amounts set forth in the Rulebook is not sufficiently clear and cannot be implemented by all public authorities, while the Law on Charges for Utilization of Public Goods, envisaged for adoption under the Budget System Law, has not yet been enacted. BEP and NALED will prepare a comprehensive set of regulatory recommendations for the MoF, update the registry of non-tax and para-fiscal charges, continue to provide technical assistance to draft the Law on Charges, and carry out public outreach. The Serbian public broadcaster (RTS) has cooperated with BEP in broadcasting a report on the non-tax and para-fiscal burden faced by businesses: <http://www.rts.rs/page/stories/sr/story/13/Ekonomija/1574068/Privrednici+u+raljama+taksi.html>.

BEP helped develop fiscal multipliers to help the Ministry of Finance and Fiscal Council (FC) evaluate the impact of fiscal consolidation on Serbia's economic recovery. BEP's consultants have developed and presented the first set of fiscal multipliers to the Ministry of Finance and Fiscal Council. The creation of these fiscal policy tools follows-up on work to develop multipliers based on

empirical studies of Central and Eastern European (CEE) countries and Serbia. This was the final step in our engagement on fiscal multipliers, and will enable the Ministry and Fiscal Council to analyze whether the government's fiscal policy measures impact growth, and determine and recommend fiscal measures that are the most advantageous – or the least disadvantageous – to business growth in Serbia. This includes the ability to conduct quantitative modeling to test dependencies of tax revenues and expenses on economic activity and consumption.

Labor Law reform in Serbia gets closer to reality. BEP continues to support efforts made by businesses and the GoS to reform the Labor Law. Following Prime Minister Vucic's April 5 announcement that a new Labor Law would be adopted within the next month regardless of consensus with the Trade Unions, BEP has been supporting the GoS in finalizing the Labor Law. BEP has helped the GoS working group finalize its draft and has worked with business associations to develop and communicate their positions on draft provisions. In addition, BEP has been actively promoting the need for labor law reform in order to tackle unemployment. This outreach effort even attracted regional notice, with the National Television of Bosnia (BHT) interviewing BEP's Tamara Borovcanin for its report on the need for labor reform in BiH.

BEP helped improve the Mortgage Law. BEP worked with EBRD and the Association of Serbian Banks to develop amendments to the Mortgage Law related to loans enforcement. The BEP team held stakeholder meetings, facilitated dialogue on most important issues, and shared studies, findings and recommendations for regulatory improvements. The recommendations are based on previous BEP studies (primarily the 2013 Business Survey and the 2013 Access to Finance Study) and initiatives of the banking and business community, Republic Geodetic Authority, academia and legal practitioners. BEP recommendations are reflected in the draft Law Amending the Mortgage Law on jointly drafted with the Association of Serbian Banks. The aim of the initiative is to facilitate appropriate regulatory changes that would enable improved out-of-court enforcement and, accordingly, facilitate lending, thus resulting in improved access to finance for SMEs. EBRD is developing other provisions in the law.

BEP helps government get construction permits reform back on track. After spending almost a year in a fruitless effort to help the previous Ministry of Construction and Urbanism develop new legislation on construction permitting, BEP has made great strides with the new Ministry to finalize draft amendments to the Law on Planning and Construction. One of the first measures of the newly appointed Deputy Prime Minister and Minister of Construction, Transportation and Infrastructure,



Zorana Mihajlovic, was to establish a Working Group for this legislation. The Working Group, which includes BEP, developed a new Draft Law on Planning and Construction. BEP also started cooperation with the Ministry on planning for implementation of the legislation. During a meeting with Deputy Prime Minister Mihajlovic, BEP agreed to help develop the implementation plan and agreed on final steps to finish the amendments and sector laws. BEP also mentioned that USAID had led donor coordination on construction permits reform and could continue this effort with the Ministry.

BEP and Ministry of Finance stay on track for program budgeting rollout. During the quarter, BEP and the Ministry of Finance (MoF) Budget Department continued to assist budget users to develop program budgeting frameworks. BEP also facilitated a series of workshops on program budget topics with the Budget Department during a two-day retreat in Arandjelovac. The retreat was attended by all Budget Department Analysts, as well as by Nada Mirkovic, Head of the Budget Department, Nikola Corsovic, State Secretary at the MoF, and BEP Consultant Ivana Jakir-Bajo, Head of the Budget Department at the Croatian MoF. BEP and the MoF jointly analyzed progress and proposed improvements after several rounds of workshops for line ministries. The Budget Department and BEP also developed a detailed joined action plan for the coming period (to the end of

2014) which entails continuing workshops with line ministries, but also the development of an information system and monitoring and reporting framework. BEP also began assistance to the Vojvodina Provincial Government to implement program budgeting. On June 9, BEP experts held the first general presentation of the program budgeting model for the APV Government. The event was attended by Nikola Corovic, State Secretary at the Ministry of Finance, Nada Mirkovic, Head of the Budget Department at the Ministry of Finance, Zoran Radoman, Vojvodina Province Secretary of Finance, and more than 140 provincial government officials. The presentation was followed by practical training for Finance Secretariat staff on the utilization of the program budgeting model in Vojvodina. Subsequently BEP facilitated workshops with individual Provincial Secretaries to help them establish program budgeting structures aligned with structures in the same areas established at the central government level.

BEP signed a Memorandum of Understanding with the Serbian Chamber of Commerce (SCC) for development of an SME access to finance web portal. On May 23, Mr. Zeljko Sertic, SCC President, and Mr. Joseph Lowther, BEP Chief of Party, signed the Memorandum of Understanding on the development of a web portal designed to provide SMEs with information important for access to finance. BEP is currently in the process of awarding a grant to provide the necessary support and advice in the initial phase of development of the portal, especially regarding organization and content of the access to finance module. The access to finance module will be accessible free of charge to all SMEs in Serbia. SCC will host, maintain and update the Portal regularly. In addition, BEP and the SCC agreed to help companies affected by the recent flooding by opening a special section on the SCC website containing comprehensive information on state support, access to finance regulations, and the like.

BEP and Ministry of State and Local Government close in on final draft Law on Inspection Oversight. The Core Working Group drafting the Law on Inspection Oversight held several meetings and presented the final law to the Working Group. The Core Working Group includes Assistant Minister Jasmina Benmansur, an Advisor to the Minister, the Head of the Administrative Inspectorate, the Senior Legal Advisor in the GoS Legislative Secretariat, and BEP's inspection reform team. The Core Working Group discussed how to finalize the draft, particularly the regulation of the inspections' analytical and monitoring functions, implementation of the law and its relationship with other inspection legislation, inspection oversight planning, and initiation of inspection oversight procedure. The Group is now refining provisions in the draft law that relate to these issues. The Law is expected to be adopted in the fall of 2014.

BEP and NALED presented the second Regulatory Index of Serbia (RIS). The latest RIS shows that quality of regulatory environment in our country reaches only 41.8% of the desired standard, and the most critical point of legislation process is the law enforcement. RIS measures the quality, transparency and predictability in drafting regulations, promptness in law implementation, regulatory burden to businesses and availability of information. During the event to release RIS, NALED and BEP also presented the fifth video created for the joint campaign for cutting the red tape "Ask WHEN" – Work of the Devil," focusing on the bad points of current labor legislation from the perspective of the unemployed. So far, the negotiations regarding the new labor law mostly focused on resolving the rights of employees and employers, while more than 750,000 registered unemployed persons have been unjustly neglected, even though they are the ones that need the law amendments the most.

REVIEW OF PROJECT PROGRESS

Administrative and General Activities

BEP Holds Annual Meetings with Serbian Business Associations to Set Priorities and Agree on Joint Activities. BEP held a series of meetings with AmCham, Foreign Investors Council (FIC), Serbian Chamber of Commerce (SCC), Serbian Association of Managers (SAM), Employers Association (EA) and NALED in order to coordinate activities and confirm priorities for the newly-formed Serbian Government. The associations expressed appreciation for successful collaboration with BEP over the previous three years and reaffirmed their willingness to strongly advocate with the

GoS for urgent reforms in the areas of labor, construction permits, inspections, and access to finance. These reforms are top priorities for all associations, although each one has its distinct perspective and level of involvement. Joint outreach activities were agreed with each association and BEP's 2014 Work Plan was discussed in detail. Activities to be carried out in the immediate future include: joint letter on priority amendments to the Labor Law; roundtables and discussions on the draft Construction Law; SAM's Forum on inspections reform, development of the access to finance portal with SCC; and discussions on leasing reform with FIC.

BEP Supports Conference on How to Apply Project Management in Government Sector. On June 17, the Serbian Chapter of the Project Management Institute organized a conference "How to Apply Project Management in Government Sector" with the support of BEP, AmCham, and the Serbian Chamber of Commerce. BEP's Chief of Party participated in a panel that discussed how to improve management in the public sector. The Conference was attended by more than 130 government and private sector managers and project management professionals and resulted in agreement that project management as a skill is absolutely necessary in public administration. This skill will be even more important in the course of EU accession negotiations. BEP will continue to use project management and other tools to improve our GoS counterparts' efficiency in managing reforms and delivering services.

Measuring the Challenges in Serbia's Business Environment

BEP is currently implementing its annual Survey of Businesses. The recent release of two other notable studies shows that the business environment remains quite challenging.

According to the **World Bank's Business Environment and Enterprise Performance Survey (BEEPS) for 2013** firms perceive political instability, tax rates, and tax administration as the biggest business environment issues in Serbia. BEEPS found that unofficial payments in dealing with taxes and tax collection, customs and import, and courts has gone down significantly since 2008, as has the percentage of contract value paid to secure a contract. Percentage of senior management's time spent dealing with public officials or public services increased by 1% in 2013. On the other hand quality of most services has improved and now it takes less time to obtain electrical connection, construction permit and import license. When it comes to inspection, number of visits went down from 4.1 to 2.5 but more firms were visited. More firms reported that an informal payment was expected during interaction with a tax official. BEEPS found improvement in the percentage of firms reporting access to finance is a problem.

The **World Economic Forum's Europe 2020 Competitiveness Report** focuses on measuring Europe's performance in becoming smart, inclusive and environmentally sustainable. Scoring 3.46 out of 7, Serbia is less competitive than both EU member states and other candidates for membership. WEF analysts claim Serbia still has a long way to go to improve its inflexible labour market, blighted by mismatch between productivity and wages, poor employer-employee relationships, and high youth unemployment. Serbia fared better than its overall score of 3.46 in the areas of inclusive growth, social inclusion, sustainable growth and environmental sustainability, and scored worse than its average for the labour market and employment, 'smart' growth, business environment, and innovation. Serbia's EU neighbours were ranked low on the list: Slovenia was placed 16th, Croatia came in 24th, and Bulgaria finished 27th. Romania came in last, in 28th place. At 4.07 and 3.62, respectively, Montenegro and Macedonia scored better than their fellow candidate country Serbia.

Component 1

Under **Objective 1, Task 1, "Improve Inspections Operations and Organization,"** BEP and the Ministry of Justice and State Administration continued efforts to finalize the draft Law on Inspection Oversight. The Core Working Group tasked with drafting the Law on Inspection Oversight, which includes BEP staff and consultants, held several meetings and revised the draft. The Core Working Group improved provisions of the draft law that govern the transparency of inspections and provision of information to consumers and the general public about health risks and goods enjoying protection. The goal of these modifications is to ensure that data on all inspection measures, as well as warnings on serious risks, become publicly available so as to increase compliance with laws and regulations and reduce risks. The Law will be finished in July and will be subjected to a proper public consultation process in September and October before being finalized and submitted to Parliament in November.

In addition, BEP has started to develop the Draft Order on Common Elements and Method of Risk Assessment in Inspection Oversight, one of the key by-laws under the future Law on Inspection Oversight. This Order will govern risk assessment criteria and scoring hazard magnitude and likelihood, and will be comprised of a risk matrix, risk categorization table, scoring table by criterion. The plan is to have the by-laws developed and presented to the stakeholders together with the Law on Inspection Oversight and ensure they are ready for adoption in 2014. Designing the inspection oversight by-laws in parallel with the Draft Law will enable partners – BEP and MoSALG – to have a timely picture on all implementing issues related to inspection oversight reform.

On June 24, 2014, BEP's staff member Milan Stefanovic participated as a panelist in a roundtable dedicated to reducing the shadow economy, organized by BIZLife business magazine and the Serbian Association of Managers. The panel also included the State Secretary of the Ministry of Finance, Chairman of the Board of Directors of the National Alliance for Local Economic Development (NALED), professors of economics at Belgrade University, and representatives of the Association of Oil Companies and attendees included experts, practitioners, and representatives of business associations and firms. Mr. Stefanovic emphasized that informal (shadow) economy is the mirror reflection of Serbian business environment – when the business environment worsens, the shadow economy grows. He also presented more details about the goals and main features of the Draft Law on Inspection Oversight, Law on Planning and Construction, and Labor Law, which BEP is working on. The panelists and participants agreed that tackling the informal economy required effective cooperation between all stakeholders, including public institutions, the private sector, business and professional associations, civil society organizations, international development institutions, academia, and the media. More information about this event can be found at www.bizlife.rs/vesti/70415-siva-ekonomija-strateska-igra-drzave-i-poreskih-obveznika.

Under **Objective 1, Task 2, "Remove or reduce quasi fiscal burdens to businesses,"** BEP and the National Alliance for Local Economic Development (NALED) evaluated reforms of non-tax and para-fiscal charges. BEP and NALED finalized a regulatory implementation analysis, thus completing the diagnostic and evaluation package. This analysis presents the impact and implementation effects of 2012 and 2013 modifications to the Budget System Law and the Rulebook on Methodology for Calculation of Fee Amounts enacted in 2013. It shows that, apart from the limited effect of the elimination of para-fiscal fees and charges, businesses are yet to feel any significant relief. For instance, the government has failed to fully implement provisions of the Budget System Law governing consent and supervision powers of the Ministry of Finance (MoF) and local authorities with regard to non-tax and para-fiscal charges, requiring payment of only one fee for one public service, ensuring fee amounts were proportional to the public service provided. Furthermore, the methodology for calculating fee amounts set forth in the Rulebook is not sufficiently clear and cannot be implemented by all public authorities, while the Law on Charges for Utilization of Public Goods, envisaged for adoption under the Budget System Law, has not yet been enacted. BEP and NALED will prepare a comprehensive set of regulatory recommendations for the MoF, update the registry of non-tax and para-fiscal charges, continue to provide technical assistance to draft the Law on Charges, and carry out public outreach. The Serbian public broadcaster (RTS) has cooperated with BEP in broadcasting a report on the non-tax and para-fiscal burden faced by businesses that has raised

public interest in this topic (the report is available at <http://www.rts.rs/page/stories/sr/story/13/Ekonomija/1574068/Privrednici+u+raljama+taksi.html>).

Under **Objective 1, Task 3, "Streamline Construction Permitting,"** BEP continued to work with the Government of Serbia and other stakeholders on reform of the construction permitting process. One of the first measures of the newly elected Minister of Construction, Transportation and Infrastructure, Ms. Zorana Mihajlovic, was to establish a Working Group for the new umbrella law on construction permits. The Working Group which includes a member from BEP, developed a new draft Law on Planning and Construction (substantially based on the draft law developed by BEP). The draft incorporates a number of important reforms, including most of the recommendations of BEP and stakeholders.

To help make sure that the changes envisaged in the Draft reflect the needs of the construction industry and that they are implementable within the Serbian administrative system, BEP organized further informal consultations on the draft with stakeholders. The meetings were attended by officers of the Ministry of Construction, Transportation and Infrastructure, including Aleksandra Damjanovic, State Secretary and head of the Working Group. Other participants included some 50 representatives of local governments, businesses, and public enterprises. In addition to these informal public discussions, BEP launched individual consultations with its network of experts to obtain their views about possible improvements of the Draft. BEP also engaged an expert to conduct a simulation of the effects of this draft law, assess the duration of administrative procedures, and identify possible glitches in the implementation.

One area of focus was reforming the land development charge (LDC), which is the biggest para-fiscal imposition in Serbia at the moment, and its proper reform has huge potential to reduce costs of construction in Serbia and to improve the country's standing in the *Doing Business* rankings of economies worldwide. Thus BEP organized a meeting of stakeholders to discuss reform of the LDC, which is by far the largest charge levied on investors when they apply for construction permits. Mostly because of the LDC, administrative costs of construction in Serbia as a percentage of income per capita are more than double than in Croatia and more than 217 times higher than the levies imposed in Slovakia. In an effort to use changes to the Law on Planning and Construction to reform the LDC, BEP brought together officers of the Ministry of Construction and Urban Planning (MCU), members of the business community (NALED and AmCham), local authorities (Standing Conference of Towns and Municipalities and City of Belgrade) and experts from academia and think tanks. The meeting resulted in agreement that LDC reform should be aimed not only at reducing excessive costs of investments in construction but also at eliminating incentives for urban sprawl, given the current practice of charging much higher LDC amounts in developed urban areas than in remote suburban ones that usually require much more public investment in infrastructure.

BEP began work with the MCU on a plan for implementing construction permitting reform. BEP met with Minister Mihajlovic on June 18 to discuss the adoption and implementation of amendments to the Law on Planning and Construction. Minister Mihajlovic confirmed that the amendments would enter parliamentary procedure in July and that the proposed changes would create a legislative framework that will allow construction permitting procedures in Serbia to be shortened. The Ministry of Construction will continue to work hand in hand with BEP to draft bylaws that guide setting up One-Stop-Shops, and installing procedures for e-permitting. Minister Mihajlovic said the draft amendments would be submitted for inter-ministerial review in the week of June 23, and then sent to the Parliament after being vetted by key stakeholders. The Minister thanked BEP for its support and accepted BEP's proposal to establish an inter-ministerial body to coordinate these reform efforts and to develop, with USAID's input, a plan for implementing the reforms.

USAID led donor advocacy for construction permitting reform. BEP organized a meeting of representatives of the World Bank, EU, Swiss and German Embassies and USAID on April 24 to agree on a joint approach in promoting construction permitting reforms. All participants agreed to advocate to the GoS for a set of measures that will ensure a better permitting system and make donor assistance more effective. These measures include allowing enough time for a proper public consultation on the final Draft before it is submitted to Parliament; adoption of the amendments to

relevant sector laws simultaneously with the enactment of the new umbrella Law on Planning and Construction; and establishment of an inter-ministerial body to oversee implementation of this reform. USAID also drafted a joint letter that the donors sent to the GoS urging it to act decisively in leading this effort that is of critical importance for Serbia's future economic development.

BEP and the Republic Geodetic Authority (RGA) held a kick-off meeting for the Web-Based Inventory of Spatial and Urban Planning Document. On June 6, BEP and the RGA agreed on the methodology and approach for future development and implementation of the Web-Based Inventory of Spatial and Urban Planning Documents. The Inventory will be implemented in a five-month process that will result in the introduction of electronic permitting. The Inventory will also allow for the release of urban plans online and their availability both to local and foreign investors and the general public. The completion of the inventory is expected by late 2014.

Under **Objective 1, Task 4, "Reduce the Employing Workers Burden,"** BEP continued to support efforts made by businesses and the GoS to reform the Labor Law. BEP has been supporting the GoS in finalizing the Labor Law through intensive work with business associations that provides the GoS with priorities for reform and drafts of appropriate amendments. BEP also provided the GoS working group with texts of provisions to be included in the draft amendments.

BEP participated in ILO's Retreat devoted to Tripartite Technical Discussion on Labor Code Reform. This event, held on April 1-2, 2014 at Lake Palic, included representatives of the Ministry of Labor (MoL), Serbian Employers Association, Independence Trade Union, Confederation of Autonomous Trade Unions (CATUS), International Monetary Fund, EU Twinning Project, and BEP. The ILO facilitated discussions on labor law reform, including dismissal of employees; paid holidays and other types of paid leave; minimum wage calculation; extension of collective agreements; and rights and obligations of trade unions and employers. The ILO also presented international standards in order to better implement international conventions and better understand international concepts and practices. Unfortunately, the trade unions (both CATUS and Independence) disagreed with the Agenda and expressed disagreement with any changes to the Labor Law, and left the event during the first morning.

BEP facilitated dialogue of leading business associations through the Labor Policy Reform Group and supported the development of a list of "deal-breakers" in the context of Labor Law reform. The list of "deal-breakers," the ten highest-priority issues for businesses, accompanied by explanations, will be sent to the Minister of Labor and other government officials by mid-May. After the Government of Serbia adopts the new Labor Law, the LPRG will send a joint press release to media in which it will support the Government's readiness to take an important and serious step towards improving the business environment and making Serbia a more attractive destination for investment, which will lead to job creation.

BEP has been actively promoting the need for labor law reform in order to tackle unemployment. Serbia's state broadcaster RTS has started giving airtime to the video entitled "Work of the Devil", devoted to constraints posed by the current Labor Law. The video was funded from BEP and was jointly developed by NALED and BEP. It is part of the joint "Ask WHEN" campaign on cutting red tape, and focuses on the weak points of current labor legislation from the perspective of unemployed young people. This focus was chosen as more than 750,000 registered unemployed persons have been unjustly neglected in the course of drafting and discussing the new Labour Law even though they need these changes the most. RTS will continue featuring "Work of the Devil" on its Morning News program as a part of its regular advertising schedule. In just 10 days, the video created for the "Ask WHEN" joint campaign for cutting red tape was viewed on YouTube an impressive 41,166 times and counting. This is only a fraction of people the video has actually reached. The video was aired a number of times on national TV (RTS1), including in primetime slots and during the World Cup broadcasts. It was also featured in the Boulevard TV show on B92 because it provoked a negative reaction from trade unions. The video is available at <https://www.youtube.com/watch?v=b2bAco4gyVc>.

BEP's outreach effort even attracted regional notice, with the National Television of Bosnia (BHT) interviewing BEP's Tamara Borovcanin for its report on the need for labor reform in BiH. The

interview covered the issues of unemployment, youth unemployment and informal employment in Serbia and the Balkan region, and once again underlined the urgency of labor regulatory reform.

Under **Objective 2, Task 1, "Improve Public Private Dialogue,"** BEP assisted with several public-private dialogue events described in detail throughout this Report. They include:

- Remodeling Bookkeeping of trading records kept in the so-called KEPU, May 29, 2014
- Meeting with businesses on conversion, June 2, 2014
- Remodeling Bookkeeping of trading records kept in the so-called KEPU, June 03, 2014
- Meeting with local authorities on construction permits, June 4, 2014
- Meeting with businesses on construction permits, June 4, 2014
- RIS and NALED Business Survey results presentation, June 5, 2014
- "How to Apply Project Management in Government Sector", June 17, 2014

Under **Objective 2, Task 2, "Implement regulatory reforms (new Task in year 4),"** BEP established cooperation with the Tax Authority to streamline redundant administrative procedure. On June 12, the BEP team met Mr. Miodrag Pavicevic, Deputy Director of the national Tax Authority (TA), and senior management of this institution to present results of the BEP's Standard Cost Model analysis and discuss ways to reduce administrative burdens. The Standard Cost Model (SCM) study, conducted in 2013, demonstrated that some tax-related procedures and practices – including how businesses obtain certificates proving they owe no back taxes, and how local TA units interpret rules limiting lump-sum taxation to certain business activities – impose high unnecessary administrative costs on businesses. BEP and the TA agreed that these regulatory and administrative procedures need to be changed. Simplifying only one administrative procedure, relating to the issuance of certificates of paid taxes would save Serbian businesses in excess of RSD 130 million annually. Mr. Pavicevic said that the changes proposed by BEP were feasible and announced that a mandatory directive on the new procedure will be issued to all local branch offices of the Tax Administration within weeks. Changing this particular procedure would have a highly positive financial impact on businesses. All sizes and types of business entities apply for these certificates between 500.000 and one million times annually.

BEP continued its efforts to eliminate or reduce the burden of the "KEPU Book" (Trade and Accounting Ledger). The GoS' Regulatory Guillotine activity, NALED's *Grey Book*, and BEP's Standard Cost Model (SCM) study have all concluded that KEPU trading book and revenue records should be reformed and/or eliminated. The Ministry of Trade and Telecommunications (MoTT) has consequently launched KEPU reform, with BEP providing technical assistance. At a roundtable held at the Serbian Chamber of Commerce, BEP presented the main findings and options for transforming the KEPU Book into a more useful and less costly tool for businesses. The meeting was attended by senior officers of Ministry of Trade and Telecommunication (MoTT) and more than 50 Serbian firms. The MoTT is expected to soon make its decision on further steps to amend regulations and implement them.

Impacts of BEP's Previous Assistance on Public Private Partnerships

Starting from 2012, when it was constituted, the Commission for Public-Private Partnership (PPP) issued affirmative opinions for 10 PPP project proposals. These PPP (with or without concession elements) project proposals were submitted to the Commission for PPP by the local units - Novi Sad, Apatin, Loznica, Šabac, Zrenjanin, Topola, Srbobran, Niš, Jagodina and Stara Pazova. The proposed and endorsed PPP project proposals are designed for different sectors - transport (5 projects), fiber to the home telecommunications, port operations, public garage operations, heating and electro energy production, and sewerage system. During 2012 and 2013, BEP provided technical and other assistance to the Commission for PPP in development of the Value-for-Money Methodology - VfMM (adopted in 2013), transposing good international PPP practice. At 8 events and trainings, BEP expert presented PPP and VfMM framework, solutions and practice, and trained more than 440 public and private sector representatives. Developing PPP practice and affirmative opinions of the Commission for PPP reflect and embody BEP's efforts toward creation of proper PPP framework and practice in Serbia, and give additional stimulus for BEP to invest more efforts in completion of on-going reform processes.

Component 2

Under Objective 1, Task 1, "Capacity building assistance to the Fiscal Council and Improvements to fiscal responsibility," BEP developed and presented Fiscal Multipliers. BEP's consultants developed and presented the first set of fiscal multipliers to the Ministry of Finance, Fiscal Council members, Public Debt Administration, Treasury, and the BEP team. The creation of these fiscal policy tools follows-up on work to develop multipliers based on empirical studies of Central and Eastern European (CEE) countries and Serbia. This is the final step in our engagement on fiscal multipliers, and will enable the Ministry and Fiscal Council to analyze whether the government's fiscal policy measures impact growth, and determine and recommend fiscal measures that are the most advantageous – or the least disadvantageous – to business growth in Serbia. This includes the ability to conduct quantitative modeling to test dependencies of tax revenues and expenses on economic activity and consumption.

Pursuant to Objective 1, Task 2, "Improvements to MoF Fiscal Analysis and Strategy," BELOX and the MoF Macro Fiscal Department (MFD) team improved the QUEST_Serbia model with the new statistical data for the Y14Q1 and quarterly data on Serbia's GDP, by use and by value-added breakdowns, for the period from Q1Y2003 to Q4Y2013.

This release differs from the previous one by changing the constant price basis for complying data from 2005 to 2010. Output of this activity is a new version of QUEST Serbia model. The MFD team will start using the model in drafting the Fiscal Strategy and Annual Pre-Accession Economic Program.

The Citizen's Guide to the Budget was finalized in March, but due to the election and new Law of Ministries it will be modified and adjusted with a revised Budget Law, expected in September.

Pursuant to **Objective 1, Task 3 "Assistance to the GoS and Parliament to Improving Budget Coordination and Performance Management,"** BEP will participate in the *MP's Orientation Seminar*, organized by the National Democratic Institute. The seminar was postponed from the end of the May to July. BEP experts will provide presentation, which will cover three topics based on BEP activities: Strengthening the Role of Parliament in Budgetary Decision-making and Oversight, Public Finance Sustainability and Legislative Reforms for Jobs Creation and Economic Growth.

Under Objective 1, Task 4, "Assist the MoF Budget Department to Develop Capacity for Improved Transparency and Program Budgeting," BEP and the Ministry of Finance (MoF) continued to make excellent progress with program budget implementation. BEP continued the series of workshops with the group of line ministries that will implement the program budgeting model for the 2015 budget. The BEP team helped all ministries (except the Ministry of State and Local Administration and Ministry of Economy, which have not formed their working groups yet despite repeated requests) and most agencies develop initial program structures, i.e. establish Programs, Project Activities, and Projects in line with their key competencies and objectives. Medium-term goals and performance indicators related to each goal will be discussed and integrated into the established program budget structure at subsequent workshops with these ministries and other budget users.

On May 8 and 9, the BEP team facilitated a series of workshops on program budget topics with the Ministry of Finance (MoF) Budget Department during a two-day retreat in Arandjelovac. The retreat was attended by all Budget Department Analysts, as well as by Nada Mirkovic, Head of the Budget Department, Nikola Corsovic, State Secretary at the MoF, and BEP Consultant Ivana Jakir-Bajo, Head of the Budget Department at the Croatian MoF. The goal of this mid-term retreat was to jointly analyze progress and propose improvements after several rounds of workshops for line ministries, held by BEP and the MoF's Budget Department. In addition, the attendees discussed how to apply lessons learned in the first part of program budgeting implementation process to successfully finalize the reform and ensure its sustainability. Mr. Corsovic emphasized that this was the biggest public finance reform in the last couple of years, and that it was being successfully led by the Budget Department with BEP support. Presentations by Ms. Mirkovic and Budget Department Analysts showed improved understanding of program budgeting, analytical capacity, and leadership built

within the Department. The Budget Department and BEP also developed a detailed joint action plan for the coming period (to the end of 2014) which entails continuing workshops with line ministries, but also the development of an information system and monitoring and reporting framework.

BEP's assistance to develop a budget information system entails help with short-term and long-term solutions. BEP helped develop technical specifications to upgrade of existing short term budget preparation software (STBPS). BEP is currently providing the support in the upgrading of STBPS in line with requirements of program budgeting methodology.



MoF Budget Department Retreat

BEP's advisory support and assistance to the MoF in the process of considering the new medium and long term budget preparation IT solution included a visit by BEP and officials of the MoF to Bosnia-Herzegovina (BiH) to learn about the BiH budgeting information system. On April 14, 2014, Dalibor Jevtic, Advisor to the Serbian Minister of Finance, and Nada Mirkovic, Head of the Serbian MoF Budget Department, accompanied by BEP public finance and IT experts, visited the BiH Federal Ministry of Finance in Sarajevo. The purpose of the visit was to learn about BiH's experience in procuring, implementing and utilizing a budgeting information system. This visit helped the MoF and BEP determine how to best provide for an integrated budgeting platform for national and sub-national level institutions. Having an adequate IT system is critical for Serbia's smooth transition to the program budget model. Alija Aljovic, Head of the Budget Department and Deputy Federal Minister of Finance, presented the budgeting process in BiH and shared his experience and benefits of using the budgeting information system (BPMIS) developed and implemented by SRC, a regional software development company. This was followed by a detailed overview of BPMIS functionalities.

BEP's advice to the MoF BD will allow the Ministry to obtain an appropriate tool for centralized collection, administration and analysis of financial proposals submitted by budget beneficiaries in line with requirements of the PB Methodology. The upgraded software will facilitate the budgeting process and improve the quality of the central government's budget.

BEP is now providing assistance to the Autonomous Province of Vojvodina (APV) in implementing program budgeting. On May 26, BEP and Zoran Radoman, APV Secretary of Finance agreed that BEP would provide assistance to the APV in implementing the program budgeting model in line with the requirements of the Budget System Law. The support includes: 1) participation of a BEP expert in a panel presentation of program budgeting for management-level officers of the APV Government; 2) provision of training to staff of the APV Secretariat of Finance on how to use this model; and 3) facilitation of workshops with individual APV Secretariats. The outputs of these workshops will be program budgeting structures aligned with those established at the state level. The support will be provided throughout the months of June and July of 2014.

On June 9 BEP experts held the first general presentation of the program budgeting model for the APV Government. The event was attended by Nikola Corsovic, State Secretary at the Ministry of Finance, Nada Mirkovic, Head of the Budget Department at the Ministry of Finance, Zoran Radoman, Vojvodina Provincial Secretary of Finance, and more than 140 provincial government officials. The presentation was followed by practical training for Finance Secretariat staff on the utilization of the program budgeting model in Vojvodina. The goal of this training is to enable the Finance Secretariat to take the leading role in implementing these reforms. BEP's support will continue through facilitation of workshops with individual Provincial Secretaries to help them establish program

budgeting structures aligned with structures in the same areas established at the central government level. The first round of workshops was held with working groups of the APV Secretariat for Education, Administration and Ethnic Communities, Secretariat for Youth and Sports, and Secretariat for Science and Technological Development. BEP advisors helped these institutions develop initial program structures, i.e. establish *programs*, *project activities*, and *projects*, in line with their key competencies and objectives. Subsequently, BEP held workshops with working groups of the Provincial Secretariats for Agriculture, Water Management and Forestry; Urban Planning, Construction and Environmental Protection; and Interregional Cooperation and Local Self-government.

Under Objective 1 Task 5 "Assistance to Integrate Program Budgeting and Performance Management into National Strategic Planning," BEP began discussions with the Ministry of State and Local Administration on how to integrate the Ministry's new focus on strategic planning and policy coordination with program budgeting. BEP also continued communications with the EU/GIZ project that is beginning to provide assistance on policy coordination.

Under Objective 2 Task 1 "Improving conditions for public investment in and trading of government debt," BEP continues to await confirmation that the PDA has capacity to make use of BEP assistance in developing/drafting the strategy. The PDA is supposed to be hiring new staff, but the new employees have not yet materialized.

Under Objective 2 Task 2 "Assistance to Improve Debt Management Systems, Analysis, and Capacity," BEP continues to await confirmation that the PDA has capacity to make use of BEP assistance in developing/drafting the strategy. The PDA is supposed to be hiring new IT staff, but the new employees have not yet materialized. Thus, BEP's has discontinued support for testing a potentially new software: the Commonwealth Secretariat's Debt Recording and Management System (DMRS).

Under Objective 3, "Technical Assistance to Advance the GoS Macroeconomic Strategy," on June 24, 2014, BEP's staff member Milan Stefanovic participated as a panelist in a roundtable dedicated to reducing the shadow economy, organized by BIZLife business magazine and the Serbian Association of Managers. The panel also included the State Secretary of the Ministry of Finance, Chairman of the Board of Directors of the National Alliance for Local Economic Development (NALED), professors of economics at Belgrade University, and representatives of the Association of Oil Companies and attendees included experts, practitioners, and representatives of business associations and firms. Mr. Stefanovic emphasized that informal (shadow) economy is the mirror reflection of Serbian business environment – when the business environment worsens, the shadow economy grows. He also presented more details about the goals and main features of the Draft Law on Inspection Oversight, which the Ministry of State Administration and Local Government is developing with BEP's technical assistance. In addition, BEP has been supporting enactment of amendments to the Law on Planning and Construction and the Labor Law that will improve the business environment and reduce the extent of the shadow economy in these areas. The panelists and participants agreed that tackling the informal economy required effective cooperation between all stakeholders, including public institutions, the private sector, business and professional associations, civil society organizations, international development institutions, academia, and the media.

During the presentation of FREN's Quarterly Monitor 36 Miloško Arsić presented very dark picture of the state of public finance. He opened the presentation by saying that postponing reforms means undermining Government credibility. Sasa Randjelovic stated that the Government planned more revenues based on expected results on anti-grey economy measures and failed to implement almost any. Professor Randjelovic said that tax subsidies are less efficient measure in fighting grey economy than amounts of fines are, and amounts of fines are in turn less efficient than increasing probability of being fined. This confirmed the need to reform the overall system of inspections.

Component 3

Under Objective 1, Task 1, "Assistance to Build Supervision Capacity of Securities

Commission," BEP helped the Ministry of Finance (MoF) to harmonize capital markets laws and regulations. On May 15, 2014, the BEP team held a presentation for Mr. Zlatko Milikic, Assistant Minister at the MoF, and his team, to outline proposed amendments to three core laws governing the securities market: Capital Market Law, Takeover Law and Company Law. The amendments were drafted at the request of the MoF, and based on the conclusions of the MoF's working group that included relevant ministries and other capital market stakeholders (industry, market participants, and donors including BEP). The issues included: determining the market price of illiquid shares; buyout and sellout; pledge on securities; and debt-to-equity swaps. More than 120 articles were modified to ensure that the provisions were mutually compliant and in line with EU regulations and best practice. The MoF team accepted BEP's suggestions and will distribute the draft amendments to the stakeholders for comments and review. Following any modifications based on feedback received, the final Draft will be submitted to the GoS and the Parliament for adoption. This effort should result in a modern and compliant regulatory framework able to foster the development of capital markets in Serbia

Under **Objective 1, Task 2, "Improve Disclosure of Information in Compliance with the Legal Requirements and Best International Practice,"** BEP is developing a Document Management and Public Register System. BEP's grantee completed the third implementation phase and is now entering into the thorough testing phase. After testing and final bug fixing, BEP and its grantee will start training and preparation of manuals.

	Delovodnik	Odobren	Zatvoren	Komitet	Obrada	Naziv predmeta	Godina
SEKREC	[+]	3/1-22-54-14	20.05.2014		Edvina D.O.O.	Ogranka Popovic	2014
Pregled sadrsta	[+]	4/0-31-49-14	08.05.2014		Marko Markovic	Ivan Herceg	2014
Novi sadrsta	[+]	3/1-22-42-14	20.05.2014		Memo Impace	Ivan Herceg	2014
STANJE	[+]	1/0-04-43-14	20.05.2014		Stevan Peric	Aleksandar Domic	2014
Stavio	[+]	4/0-32-44-14	20.05.2014		Marko Markovic	Aleksandar Domic	2014
Definije	[+]	4/0-32-43-14	09.05.2014		Jovan Jovanovic	Ogranka Popovic	2014
Definije	[+]	4/0-32-44-14	20.05.2014		Jovan Jovanovic	Aleksandar Domic	2014
Ostalo	[+]	2/0-01-47-14	10.06.2014		Komitet 1	Aleksandar Domic	2014
Predmeti	[+]	4/0-32-44-14	13.06.2014		Edvina D.O.O.	Aleksandar Domic	2014
Radnja izlaska	[+]	1/0-04-44-14	15.06.2014		Teamjet	Aleksandar Domic	2014
	[+]	4/0-32-50-14	13.06.2014		Memo Impace	Ivan Herceg	2014
UREĐENJE	[+]	4/0-32-52-14	13.06.2014		Stevan Peric	Ogranka Popovic	2014

Securities Commission Document Management and Public Register System

Under **Objective 2, Task 1, "Assistance in Development of Legal Framework for Commodity Exchange,"** BEP met with the Securities Commission to discuss its written objections to the draft Draft Commodity Exchange Law. On June 24, BEP met the Securities Commission team led by its Chairman Zoran Ćirović, to discuss outstanding issues of the Draft Commodity Exchange Law and how to overcome them. The Commission's objections are holding up the process of adopting the draft law. BEP representatives underlined the importance of adopting the Commodity Exchange Law and elaborated the reasons behind some of its features. The meeting was devoted to discussing both the current text of the Draft and the opportunities for improvements in certain areas (clearing and settlement, organization, staffing, and procedures of the commodity exchange, relationship with the Capital Market Law, etc.), as well as views of Produktna berza Novi Sad's (PBNS) future role in establishing a viable commodity exchange system. Both sides agreed that a more comprehensive meeting should follow and should involve other members of the Law Drafting Group, so that the outstanding issues can be reviewed in greater detail. The meeting will be organized by BEP as soon as possible so that the Draft can be finished and submitted to the Government by the Fall.

Under **Objective 3, Task 1, "Improving Conditions for Public Investment in and Trading of Government Debt,"** BEP continues to await confirmation that the PDA has capacity to make use of BEP assistance in developing/drafting the strategy. The PDA is supposed to be hiring new staff, but the new employees have not yet materialized.

Under **Objective 4, Task 1, "Assistance in Development and Implementation of Access to Finance Related Laws,"** BEP continued its assistance to reform laws and regulations relating to leasing to make it more competitive with international standards. BEP prepared a White Paper on Leasing reform and provided it to the MoF. BEP is currently awaiting the MoF's decision to establish a working group for resolving all identified issues from the White Paper.

BEP finalized the Market Impact Assessment Report for Non-Deposit-Taking Micro-Financial Institutions (NDMFIs) operating in Serbia. One of the conclusions of this report is that, provided an enabling legal framework for NDMFIs is enacted, the inflow of funds into the Serbian economy from NDMFIs, banks serving small and medium-sized businesses, and EU/GoS financial instruments could total EUR 869mn. The report was summarized for the Serbian Ministry of Finance and presented during a meeting with State Secretary Niksa Vusurovic. Mr. Vusurovic said that the MoF should proceed with new NDMFIs legislation, but a joint meeting with the NBS should be scheduled as soon as possible so that BEP's consultant can present the full report and the NBS and MoF can agree on next steps.

Under **Objective 4, Task 2, "Assistance to the MoE Implementation of "White Paper" recommendations on Access to Finance,"** BEP proceeded with development of a web portal to facilitate better SME access to finance. On May 23, Zeljko Sertic, SCC President, and Joe Lowther, BEP Chief of Party, signed a Memorandum of Understanding on the development of a web portal designed to provide SMEs with information important for access to finance. BEP subsequently issued a Request for Applications for a grant to provide the necessary support and advice in the initial phase of development of the portal, especially regarding organization and content of the access to finance



Signing MoU for SME Finance Web Portal

module. The access to finance module will be accessible free of charge to all SMEs in Serbia. SCC will host, maintain and update the Portal regularly. BEP has received 5 offers and the grant committee will be organized in the first week of July. As soon as the grantee is chosen, the creation of the portal can start. In addition, BEP and the SCC agreed to help companies affected by the recent flooding by opening a special section on the SCC website containing

comprehensive information on state support, access to finance regulations, and the like.

Under **Objective 4, Task 3, "Assistance to improve state aid efficiency, monitoring and transparency,"** BEP has already signed a Memorandum of Understanding with Ministry of Economy on technical assistance in evaluating Development Fund Programs, aiming at strengthening the effectiveness of the state aid interventions.

Under **Objective 4, Task 4, "Assistance to strengthen professional services supporting access to finance,"** BEP and the National Bank of Serbia (NBS) are making rapid progress in developing the Transactional Real Estate Database. BEP has identified collateral valuation as a major constraint to lending in Serbia, imposing overwhelming collateral requirements on business and decreasing their access to finance. Collateral valuation also negatively affects the banking sector and its stability. BEP is helping the NBS develop a national real estate transactions database that the NBS will host, maintain and lead. This database will contain information necessary for sound collateral valuation, detailed analysis of the real estate market, and calculation of the real estate value index for Serbia. The database should be finalized and operational within the next three months. The BEP team and Mr. Grzesik are also advising the Ministry of Finance on means to create a "professional and competent" valuation profession. BEP is awaiting Minister of Finance Lazar Krstic's decision on the Ministry's role in this reform and timelines for various activities.

BEP supported an accounting training event at the Serbian Chamber of Commerce. The one-day training seminar was organized by BEP's grantee ABF as part of the project "Role of Good

Accounting in Access to Finance,” and was attended by staff of 30 SMEs. The purpose of this training event was to increase SMEs’ awareness of the importance of the accountant’s role in accessing finance, build these businesses’ capacity in this area, and instruct SMEs on how to distinguish good accountants from bad ones. The two trainers focused on the role of accounting in fundamental credit analysis from the viewpoint of banks and other prospective lenders. The participants had an opportunity to identify best practices in accounting in the context of the accountancy profession’s support that SMEs can benefit from when seeking finance from banks. The key issues pointed out by participants in the discussion were financing the growth of SMEs is sometimes very difficult; banks are still primarily oriented towards medium and large size enterprises; SME owners are not sufficiently trained; the basic set of tasks covered by accountants’ job descriptions needs to be expanded; and qualitative analysis and reliability of accounting information are of key importance for sound credit applications.

Under **Objective 4, Task 5, "Strengthen the capacity of business associations to work on improving access to finance,"** BEP and the USAID Sustainable Local Development Project (SLDP) organized a factoring workshop for businesses from the Novi Pazar Region. Over 20 people attended the factoring workshop organized on April 15 in Novi Pazar. SLDP and BEP organized this workshop in response to the requirements of the many export-oriented manufacturers operating in the region that can benefit from factoring. A presentation by staff of Societe Generale Factoring and Jubmes Faktor prompted great interest in this form of financing, and especially in double factoring. The factoring industry again showed great professionalism and readiness to answer all enquiries. Businesses are now certain that double factoring can be an excellent tool to assess a new foreign client, as well as to ensure early, risk-free, and favorable collection of receivables. All participants in the workshop, and particularly business representatives, were satisfied with the event. The Presidents of the Shoe Cluster and Textile Cluster were in attendance, which means that factoring can be expected to be used more widely by firms from the Novi Pazar region.

BEP and the Center for Advanced Economic Studies (CEVES) organized a roundtable on banking sector policies on SME finance. The roundtable, held on June 19, included the presentation of the main findings of a study and recommendations on bank lending to SMEs developed by BEP grantee CEVES. The roundtable was attended by 15 mid-level managers from banks that account for 80% of Serbia’s banking sector. The purpose of this event was to discuss the findings of CEVES’ research, review current and potential SME bank lending practices, and receive feedback from bankers on why they miss opportunities to finance qualified SMEs. An additional aim of this roundtable was to increase knowledge among bankers of the facts of SME segment performance, competitiveness and growth resilience. Some of the key issues discussed were: (i) whether the Serbian market is shallow, and whether bank lending to the existing number of SMEs is cost-efficient; (ii) reasons for banks’ relative caution with the SME sector, including lack of appropriate information; (iii) poor advisory services for micro- and small enterprises; (iv) the need to develop the non-banking financial sector, and (v) the need for banks to target the 40 percent of successful SMEs that do not use bank credit. The goal of this initiative is to present evidence of banks’ missed opportunities, and to motivate banks to start introducing EU best practices in lending to SMEs. The conclusions from this roundtable and CEVES’ final recommendations will be presented to bank CEOs, the NBS, and the Ministry of Finance at a roundtable in September.

Under **Objective 4, Task 6, "Strengthen In and Out of Court Credit Enforcement,"** BEP continued cooperation with the Association of Serbian Banks (ASB) to improve the regulatory framework for lending. On April 8, BEP met the ASB executive team and representatives of the banking industry to discuss proposals for regulatory and implementation improvements that can facilitate better lending policies and help address the issue of increasing NPLs. The dialogue covered a wide range of topics, including the NBS policies, judicial and extrajudicial enforcement, payment transactions, tax issues, and relations with regulatory bodies. BEP and the ASB agreed to continue making efforts to improve the lending environment by eliminating obstacles to the debt collection process. Following our cooperation that resulted in the joint drafting of amendments to the Law on Mortgage, BEP and the ASB agreed to prepare a joint document on the discussed topics to be submitted to the new Government. In addition, BEP and the ASB agreed to co-organize an event

with the Chamber of Professional Enforcement Officers (PEOs) to facilitate dialogue between the banking sector and the PEOs. The event, tentatively scheduled for mid-May, aims to improve PEOs services to meet the needs of banks, and to identify and resolve problems in expanding cooperation between PEOs and the banking sector.

On April 23, BEP took part in a session of the Serbian Chamber of Commerce Banking and Insurance Board devoted to (i) discussing the initiative for changes to the calculation and payment of deposit insurance premium and (ii) reviewing comments and proposals for regulatory improvements related to outstanding issues burdening the out-of-court real estate enforcement process (primarily the Mortgage Law). The proposals put forward by BEP and the Association of Serbian Banks to amend mortgage legislation were used as the starting document, while the Chamber's Banking and Insurance Board added suggestions aimed at contributing to a more efficient enforcement system. The participants, including Mr. Zlatko Milikić, Assistant Minister at the Ministry of Finance, officers of the NBS Supervision Department, Deposit Insurance Agency, and Republic Geodetic Authority, agreed on the need to change the regulatory framework governing mortgages. The next step is presenting the proposals discussed to government officials in charge of initiating legislative changes and other key stakeholders (including the Ministry of Justice and Public Administration).

BEP provided technical advice to the EBRD legal team in charge of identifying issues and proposing amendments to the Mortgage Law to the Ministry of Finance. The BEP team based its findings and suggestions on its Access to Finance White Paper and study, previous discussions and joint initiatives with the Association of Serbian Banks, and proposals made by the Serbian Chamber of Commerce. The main issue identified by BEP is the inefficiency of the out-of-court enforcement framework, caused by controversial provisions of the Mortgage Law and interpretations of these provisions issued over time by the Republic Geodetic Authority. Subsequently, the BEP team reviewed Draft Amendments to the Mortgage Law and submitted comments and suggestions to the legal team supported by EBRD that is in charge of this reform. The draft amendments are planned to be finalized and submitted for adoption in July 2014. Facilitating out-of-court enforcement will promote enforcement of contracts and lower the cost and time of foreclosures, which will reduce lending risks and ease lending conditions.

Under **Objective 4, Task 7, "Support Financial System Stability Reform,"** the MoF again requested that BEP provide assistance in drafting legislation. This activity has been on hold awaiting action by the MoF and other donors.

Public Sector Capacity Building Initiatives

BEP has continued to improve the management capacities of the BEP counterparts in the Government of Serbia through: a) facilitation of internship placement program, and b) further enhancement of leadership and management capacities of the key selected BEP counterpart institutions through management training and executive coaching. The assistance is provided through grants to Belgrade Open School (BOS) and Serbian Management Center (SMC).

BOS has developed and facilitated the internship program through the follow-on grant "Better Public Administration through Internships." The project supports 11 internship positions within the following BEP counterparts that are participating in this project: Ministry of Finance (Budget Department, Group for Capital Investments, Macroeconomic and Fiscal Analysis Department, Financial System Department, and Public Debt Administration), Ministry of Labor (Sector for Labor), Ministry of Economy (Sector for Development of Entrepreneurship and Competitiveness), and Ministry of Justice and Public Administration (Public Administration Department). BOS conducted a training needs assessment of interns. Based on this assessment BOS organized three workshops in April and May: Planning and Project Management – Advanced Training, Data Managing, and Excel Tables and Pivot Tables. The purpose of these workshops was to additionally build capacities of interns by raising their level of knowledge and skills. In addition, BOS provided career counseling for interns, which resulted in 4 employment contracts after the end of their internship and two during the internship program. The program was highly evaluated by the mentors from the GoS counterparts.

The MoF also requested that BEP provide more interns that the MoF would permanently hire in its Budget Sector by the end of 2014, once the Law on Public Servants and Labor Law are amended to allow new hires. The MoF's request for interns reflects the success and popularity of BEP's previous intern programs, which have provided 26 qualified recent graduates to our GoS partners, the majority of whom have already been hired by the GoS or private sector. BEP supported this initiative through a grant "Support for the Ministry of Finance through Internship Placements" implemented by BOS. The project aims at continuing the improvement of management capacities within the Ministry of Finance (MoF) through further development and facilitation of internship placement program, in particular providing the MoF with five talented young professionals who will assist and improve their regular daily work of significant importance for business enabling environment in Serbia. This grant stipulates a strong commitment by the MoF to hire five interns contingent on evaluation of their work performance. This commitment is memorialized in the MoU signed between BEP and Minister Krstic. The five interns will help the MoF Budget Department in the upcoming budget program reforms.

"Enhancing Organizational Effectiveness within Key Governmental Partner Institutions in Serbia through Management Assistance Program" is a follow-on grant to the Serbian Management Center (SMC) aimed at continuing efforts to enhance leadership and management capacities of the key selected BEP counterpart institutions within the Serbian Government. The program provides a tailor made and sector based management assistance program to the Ministry of Finance Sector for Budget System and Sector for Financial System. The follow on grant activities builds upon the lessons learned during the previous successfully implemented project in 2013 and strives to tackle more thoroughly some of the main challenges faced by the managers and leaders working within selected governmental organizational units. To date, SMC has conducted the training needs assessment of the two Sectors' staff, base line self-evaluation of the staff, mentoring sessions with the senior officials of the two Sectors, as well as designed and delivered eleven on-the-job learning sessions i.e. tailor-made workshops for the senior and mid-level managers.

On June 17, the Serbian Chapter of the Project Management Institute organized a conference "How to Apply Project Management in Government Sector" with the support of BEP, AmCham, and the Serbian Chamber of Commerce. BEP's Chief of Party Joe Lowther participated in a panel that discussed how to improve management in the public sector. The Conference was attended by more than 130 government and private sector managers and project management professionals and resulted in agreement that project management as a skill is absolutely necessary in public administration. This skill will be even more important in the course of EU accession negotiations. BEP will continue to use project management and other tools to improve our GoS counterparts' efficiency in managing reforms and delivering services.

Outreach

During the quarter BEP generated 172 media reports, mostly with a positive or neutral, and four with negative tone. The negative reports are a Trade Unions reaction to the newest Ask WHEN TV public service announcement "Devil's work" which is a video that advocates Labor Law reform. Trade Unions on purpose misinterpreted the messages from the video claiming that they are represented as devils. BEP and NALED prepared a set of key messages for reaction if needed. But in reality the trade unions reaction appeared to provide a boost to the distribution of the video through YouTube, as views doubled in the week the trade unions criticized the video.

The video, "Ask WHEN" – Work of the Devil, is the fifth video created for the joint BEP-NALED campaign for cutting red tape. The video focuses on the bad points of current labor legislation from the perspective of the unemployed. So far, the negotiations regarding the new labor law mostly focused on resolving the rights of employees and employers, while more than 750,000 registered unemployed persons have been unjustly neglected, even though they are the ones that need the law



Latest Ask WHEN Video

amendments the most. In only 20 days the video (available at <https://www.youtube.com/watch?v=Kf7a0hIj1ew>) achieved more than 43,744 views and is becoming “a star” on YouTube.

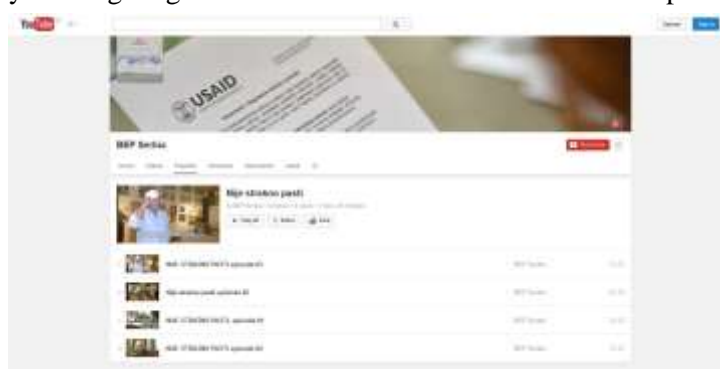


RIS Event

On June 5, BEP and NALED presented the 2014 RIS indicators and the latest results of the business survey to government officials, business representatives and the media. The event clearly communicated the conclusions that the businesses needed a stable policy (with no sudden shifts in regulations), higher legal certainty (consistent law implementation), cheaper and more efficient administration and transparent communication with the state authorities. According to RIS, the stated aspects of business environment are currently not at a satisfactory level. The event also included presentation of a Survey of 260 businesses throughout Serbia, carried out by CESID, that BEP helped NALED implement as a way to regularly track the impact of reforms and business sentiment. The survey includes questions on the opinions of businesspeople with regard to the current economic situation in Serbia and the impact of the shadow economy and inspection oversight on doing business. In this most recent version of the survey, a special questionnaire was designed to capture respondents' views of waiting in queues at administrative offices, the Labor Law, and women's employment, as well as their opinions of how easy it is to obtain construction permits and how much time and money these procedures cost. According to the Survey the most hated counters in Serbia are Cadaster and Republic Insurance Fund. Average waiting in lines in front of counters is half an hour, and some administrative work requires to set aside a whole day. During the event, BEP and NALED also presented the Ask WHEN” – Work of the Devil video. The event was well attended and drew significant media attention. This activity resulted in 55 positive media reports, as a result of the event and BEP and NALED promoting the RIS results through a series of press releases and a mini-campaign.

BEP also gathered significant media attention on May 23, when Željko Sertić, Serbian Chamber of Commerce President, and Joe Lowther, BEP Chief of Party, signed the Memorandum of Understanding on the development of a web portal designed to provide SMEs with information important for access to finance. BEP and the SCC agreed to help companies affected by the recent flooding by opening a special section on the SCC website containing comprehensive information on state support and access to finance regulations. This event generated a significant number of positive media reports.

BEP supported Timeline Production by issuing a grant for series of TV shows that compared bankruptcy processes in the USA and Serbia. This activity was also supported by the U.S. Embassy in Serbia. Timeline Production was able to get the four TV shows *It's Not Terrible To Fall* broadcasted on RTS. After the shows were broadcasted on RTS, BEP promoted the videos on its YouTube channel and through social networks which attracted a significant number of views.



BEP's meeting with Deputy Prime Minister Professor Dr Zorana Mihajlovic to discuss amendments to the Law on Planning and Construction that should facilitate construction permitting in Serbia also received media attention. BEP Chief of Party Joe Lowther and Deputy Prime Minister Mihajlovic agreed that collaboration between the Ministry and USAID would continue, with emphasis shifting on implementation, once the amended law was adopted. This event generated around 20 media reports.

On June 24, BEP's Expert for Regulatory Reform Milan Stefanovic participated as a panelist at a roundtable dedicated to reducing grey economy, organized by BIZ Life business magazine, in cooperation with the Serbian Association of Managers. The panel consisted of a State Secretary in the Ministry of Finance, BEP's Expert, the Chairman of the Management Board of the National Alliance for Local Economic Development (NALED), professors of economics at Faculty of Economics University of Belgrade and at the Singidunum University Faculty of



Shadow Economy Roundtable

Economics, Finance and Administration (FEFA), and representatives of the Association of Oil Companies and the Serbian Chamber of Commerce and Industry. The roundtable also gathered experts and practitioners, and representatives of the business associations and businesses. BEP's expert emphasized that informal (grey) economy is, in fact, a reflection in the mirror of the state of business environment in a country – when business environment is worsening, grey economy is ascending. He pointed out that BEP supports enactment of the modifications to the Law on Planning and Construction and the Labor Law that will improve business environment and lead to grey economy reduction in the respective areas. BEP's expert presented in greater details the goals and proposed solutions of the future Law on Inspection Supervision, which is being designed under the auspices of the Ministry of State Administration and Local Government, with BEP's assistance.

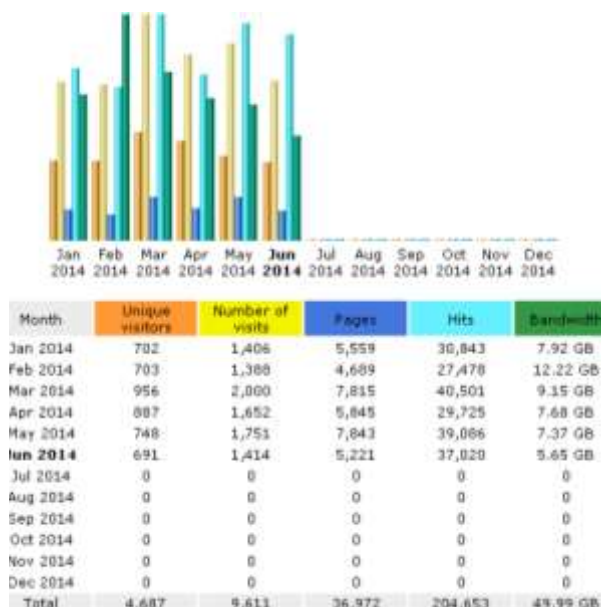
Several interviews and articles with BEP staff were published in printed media. They included:

- Milan Stefanovic article in *Biznis i Finansije* on Tax Credit
- Milan Stefanovic article in *Biznis i Finansije* on Inequality in Debt Collection between Public and Private Sector
- Milan Stefanovic article in *Biznis i Finansije* on Entrepreneurial Capital
- Joe Lowther interview in *NIN* on Economic Reforms
- Joe Lowther interview for *RTS* on Public Companies Debts
- Joe Lowther statement in *Build Magazine* on Electronic Register of Urban Plans in Serbia
- Milan Vemic interview in magazine *Market*

BEP's interactive website, www.policycafe.rs, provides a means for dissemination of research and analysis on issues related to BEP's three components allowing users to provide input and feedback.

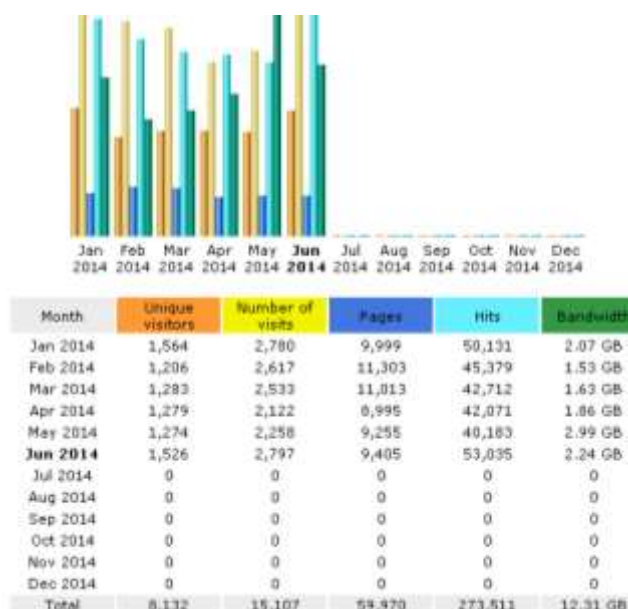
Based on our web analytics, visits to the website have reached a steady and constant number of total visitors with around 700 unique visitors on monthly basis (see chart).

So far the policy café has more than thousand different articles, publications, policy notes, useful links and information with content updated on regular basis, being a solid ground for further expansion of its popularity.



To improve transparency and make policy café more user friendly, BEP introduced an in the loop section where the visitors can easily access all major analyses, researches and studies conducted by BEP.

The BEP website, www.bep.rs, continued to have a large number of visitors, as shown by the adjacent chart. The BEP website contains information about the project, grant solicitations, media appearances, and partners. The BEP website (bep.rs) has continued to show an increase in number of visits with a steady average of 93 unique visits per day (June 2014) and an average of over 1500 unique visitors per month.



Grants

BEP launched the fourth **Annual Program Statement (APS-2014-01)** on April 1, 2014. Through this solicitation BEP seeks Expressions of Interest and applications from eligible organizations that present creative technical approaches and methodologies for advancing the BEP's objectives and generating results in support of those objectives. Priorities in awarding the grants will be given to the follow-up activities aimed at promoting new policies and good implementation of existing policies that support private sector development, all in support of implementation of reforms that will improve business conditions throughout the country. BEP will award grants in the range of \$5,000 to 25,000 for a maximum implementation period for one year. The deadline for submissions is December 5, 2014.

To date, seven Expressions of Interest have been submitted to BEP in response to APS-2014-01 for consideration. BEP's Grants Selection Committee convened twice to deliberate them (on 11 April, 30 May). Out of the seven EoIs, BEP invited one organization to submit the full proposal and subsequently awarded a grant. Another proposal idea was further clarified with the applicant, and is temporarily put on hold.

NEW RFPS

In the second quarter, BEP launched two Requests for Proposals: RFP-2014-02 for the Business Survey in Serbia 2014, on May 16, 2014; and, RFP-2014-03 for Development of Business Web Portal launched on 27 May 2014.

The purpose of the **Business Survey in Serbia RFP-2014-02** was to solicit proposals from qualified entities to support BEP in the achievement of its program objectives. The indicative amount BEP intended to provide was up to \$20,000 to be allocated over a 6 month period. The deadline for submission for applications was June 16, 2014. USAID's BEP received four proposals in response to this RFA from the following applicants: GfK, Ipsos Strategic Marketing, CeSID and Medium Gallup. The Grant Selection Committee members convened on June 17 to evaluate proposals and selected Ipsos Strategic Marketing's proposal, which received the highest score, and decided to invite its team for negotiations.

BEP published **RFA-2014-03 for Development of Business Web Portal** on May 27. The purpose of this RFA was to solicit proposals from qualified bidders to support USAID's BEP by providing assistance in developing an interactive business portal for the Serbian small and medium enterprises (SMEs), in cooperation with the Serbian Chamber of Commerce. The portal will be an integrated platform comprised of multiple modules devoted to issues important for SMEs, and will thus allow all information collected to be disseminated quickly and easily to SMEs. It will be an effective way to disseminate information to SMEs on finance and other issues that impact their competitiveness and growth. The portal will be particularly useful for small businesses that lack capacity and resources to secure the necessary information and advice on their own. BEP intends to award a grant of up to 30,000 USD to be allocated over an eighteen month period. The deadline for submission of applications was June 27, 2014. Following organization submitted their bids the deadline: Omnicom Solutions d.o.o. Beograd E-Smart Systems, DUBES Company for Trade, Manufacturing and Services Ltd. Belgrade, COMTRADE IT SOLUTIONS & SERVICES d.o.o., POWER SYMBOL TECHNOLOGY D.O.O. The Grants Evaluation Committee will be scheduled in early July to evaluate proposals.

CONTRACT SIGNING

In the second quarter, BEP signed three grant agreements:

BEP signed a grant agreement **RFA-2014-02 with Ipsos Strategic Marketing for Business Survey in Serbia 2014** project. The grantee will conduct a survey through face-to-face in-depth interviews with owners and managers of business entities throughout Serbia (up to 1,000 Serbian businesses) in order to identify the problems and real priorities of the business sector and to capture and measure impacts of USAID's BEP project related interventions where reliable information and data is not readily available. The survey is designed to produce results that are comparable to the 2011, 2012 and 2013 surveys. The total grant amount is 19,991 USD to be implemented from 25 June until 30 December 2014. Public presentation of the Survey findings will be held in autumn 2014.

BEP signed the grant agreement with **Belgrade Open School, APS-2014-01-1, for the "Support for the Ministry of Finance through Internship Placements"** project. The project aims at continuing the improvement of management capacities within the Ministry of Finance (MoF) through further development and facilitation of internship placement program, in particular providing the MoF with five talented young professionals who will assist and improve their regular daily work of significant importance for business enabling environment in Serbia, including the budget process reform. The total value of the grant is 16,000 USD to be implemented over the period of eight months.

BEP /Cardno Emerging Markets signed a contract (Purchase order) with the selected vendor **OSA Racunarski inzenjering** from Belgrade, whose bid won in the **Request for Proposals (RFP)-2012-01/R for Development of Web-based Inventory of Spatial and Urban Planning Documents**. Negotiation and signing of the contract was followed by the approval from the Independent Verification and Validation Review and USAID Regional Office. The purpose of this Purchase order is to assist the Ministry of Construction and Urban Planning and Republic Geodetic Authority (RGA) in developing a web-based inventory of planning documents (spatial and urban plans). This procurement supports the achievement of USAID's BEP objectives, in particular, better business regulation and economic governance, and is geared towards building capacity of the Government of Serbia to properly implement and sustain reforms. The total value of the contract amounts to 53,145 USD to be implemented over a nine-month period. The ultimate beneficiary of the developed software application is the Republic Geodetic Authority (RGA) with whom the USAID' BEP will sign an in-kind grant agreement

The total amount of awards to date is **\$1,494,347**. The Grant Status is attached as Attachment 5.

BEP GRANT FUND	1,674,584
Contracted (APS, RFA and RFP)	1,494,347
<i>Exchange rate and other differences</i>	<i>22,850</i>
<u>Committed</u>	
Committed	
In-kind RGA (\$ 70,000); 53,145 USD already contracted	
RFA Web portal (SMEs) - 30,000 USD (ongoing RFA)	\$46,855
Total	1,518,352
Obligated	1,674,584
TOTAL REMAINING GRANT FUNDS UNTIL END OF PROJECT	156,232

A total of **48 grants and one purchase order** have been contracted to date.

Statistics:

Number of grants	48
Unsolicited grants	1
Follow-on grants	5
Sole source solicitation grant	1
Modifications to the grant agreements	23
Terminated	1
Purchase orders	1

Total disbursed funds until June 30, 2014 amount to 1,211,537.94 USD (72.35% of the contracted amount). Grantees have been fulfilling the contracted milestones, and therefore thirteen payments were initiated in the reporting period for accomplishment of milestones as per their grant agreements.

GRANT AGREEMENT MODIFICATION

BEP approved and signed four no-cost modifications to the grant agreements with: two for Center for Advanced Economic Studies (CEVES), Serbian Management Centre and TeamNet International. The changes included the following:

- Serbian Management Centre (SCM), RFA-2012-07-F, for "Enhancing organizational effectiveness within key Governmental partner institutions in Serbia through Management Assistance Program" grant.

Changes: Change of milestones and payment schedule.

The reason for rescheduling some of the on-the-job learning sessions i.e. tailor-made workshops for the senior and mid-level managers of the Financial System Department of the Serbian Ministry of Finance, substantial lack of employees on managerial positions, including heads of the departments, previously identified through organizational diagnostics that remained to be a challenge for implementation of Project.

- Center for Advanced Economic Studies (CEVES), APS-2012-01-8, for the implementation of "SME Growth Opportunities and How Policies and Banks Miss Them" grant.

Modification 1 - Changes:

Change of director of CEVES and signatory to the grant agreement.

Modification 2 - Changes:

Extension to the period of performance of the grant agreement until 15 October 2014.

Change of the milestones/grant deliverables schedule.

Change of the project team leader.

Both modification were necessary due to the fact that director of CEVES and signatory to the grant agreement, Mrs. Kori Udovicki, resigned from all positions in CEVES (director and chair of the Managing board), following her appointment as the Minister of Public Administration and Local Self-Government and Deputy Prime Minister of Serbia, which resulted in the appointment of a new director and project team leader, as well as other recomposition in the CEVES staff.

- S.C TeamNet International S.A., Purchase order P0-2012-02, for "Development of Document Management System and Public Register" grant.

Changes:

Extension of the period of performance.

Change of the milestones schedule.

Extension of the period of performance and change of milestones schedule will allow the successful finalization of the contract-envisaged activities by October 1, 2014. The purpose of the Purchase order is to provide assistance to the Serbian Securities Commission (through in-kind grant) in developing a Document Management System and Public Register to facilitate its efforts to assure good market regulation and supervision.

The objectives of the above agreements remained the same, and the changes of their grant agreements have not entailed any cost modification.

MONITORING

BEP's Grant Manager and technical staff continued to diligently monitor implementation of grants. Summaries of implementation of selected grants include:

Grant to Help Improve Management and Human Resource Development in Ministry of Finance. BEP supports efforts towards enhancing leadership and management capacities of the key selected Project's counterpart institutions with the Serbian Government (Budget and Financial System Department of the Ministry of Finance) through a grant entailing the development and delivery of the tailored made executive coaching and mentoring / on-the-job learning sessions to the middle and senior-level Ministry's staff.

The grantee, the Serbian Management Center, organized a workshop for the Financial Systems Sector on topic of Communications skills at the Ministry of Finance premises on 25 April 2014. The workshop tackled the following subtopics: Purpose and functions of communication; Importance of different perceptions in communication; Process/elements of communication (sender, message, receiver); Activities of communication; Communication channels; and, Main barriers in communication. Ten participants took part in an interactive workshop, which served to provide the basics of communications and impart the importance on good internal communication, the skills and knowledge of which participants will hopefully apply into the daily operations.



Presentation slide - Workshop on Communication Skills for the Financial System Sector, Ministry of Finance 25 April 2014

Through the grant "Enhancing organizational effectiveness within key Governmental partner institutions in Serbia through Management Assistance Program" SMC conducted the training needs assessment of the two Sectors' staff, base line self-evaluation of the staff, mentoring sessions with Assistant Minister of Sector for Financial System, Head and coordinator of the Budget Department,

and head of the Capital projects department, as well as designed and delivered eleven on-the-job learning sessions i.e. tailor-made workshops for the senior and mid-level managers on the following topics: Conflict resolution; Internal and external communication; Team work; Time management; Public appearance and presentation skills, Management skills – proactivity, active listening and feedback; **Negotiation skills; and Stress management.**

Upcoming Activities

BEP plans the following activities in the next quarter:

Component 1

- Providing technical assistance in drafting business environment legislation (Law on Spatial Planning and Construction, sectoral laws regulating elements of the construction permitting, Law on Inspection Oversight, Law on Charges for Utilization of Public Goods and Labor Law)
- Provide technical assistance for drafting bylaws in the areas of construction permits and inspections reform
- Support transparent and inclusive public consultations and reviewing collected comments and suggestions on drafts of different legal initiatives
- Training for members of the National Parliament on business environment legislation
- Provide training for implementation of the construction permits reform
- Organize a study tour to facilitate introduction of e-Permitting system for construction permits
- Provide technical assistance to the Ministry of Economy for completion of the Strategy and the Action Plan Strategy for Business Competitiveness and Innovativeness Improvement
- Continue with implementation of the Inventory of Planning Documents
- Outreach activities regarding the labor, inspections and construction permitting reform and for continuation of the streamlining of para-fiscal charges and simplification of administrative impediments for doing business in Serbia

Component 2

- Establishment of program structures: continues with training sessions and workshops with ministries and finalized structures of budget beneficiaries
- Workshops on Program budgeting with the budget beneficiaries in Vojvodina (developing program structures, goals and performance indicators
- Assistance to the MoF in the process of considering the new budget preparation IT system and developing technical specifications of IT system
- Regional study tour for BD and MoF management
- Training sessions on program budgeting issues for Parliament's Committees and Supporting Service
- Technical briefings on new business and financial sector legislation for Parliament committees are expected to start in June
- Promotion and outreach of Citizen's Guide to 2014 budget publication
- Shadow Economy: continue with outreach

Component 3

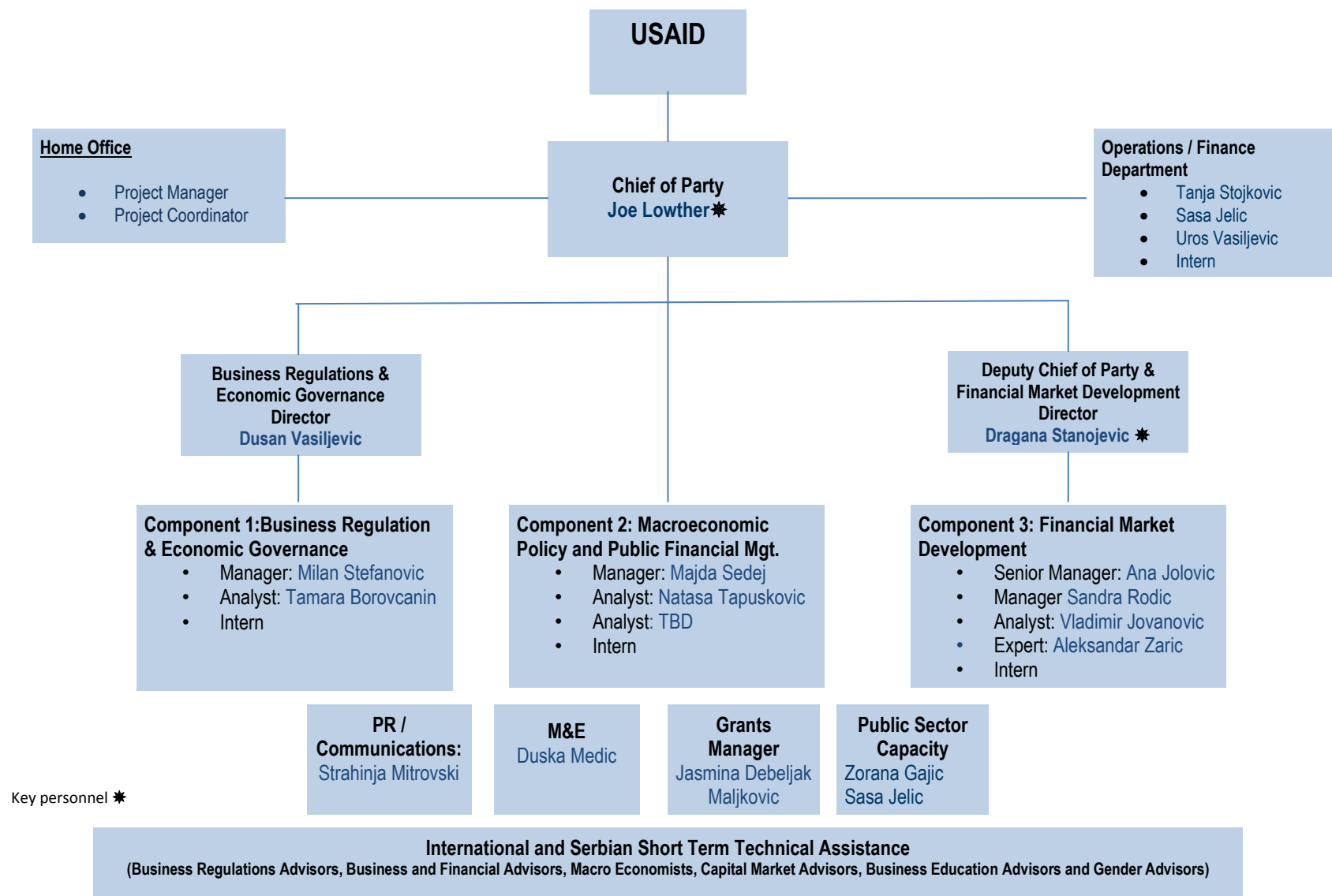
- The Market Impact Assessment Report for Non-Deposit-Taking Micro-Financial Institutions (NDMFIs) operating in Serbia expected to be presented to the Serbian Ministry of Finance and the National Bank of Serbia in late July.

-
- Advocate for the development of the regulatory framework for non-bank financing institutions;
 - Provide technical assistance in evaluating Development Fund Programs, aiming at strengthening the effectiveness of the state aid interventions.
 - Provide advisory support and legal expertise to the MoF related to financial stability regulatory framework based on MoF concept and WB, IMF and EBRD recommendations.
 - Further implementation of designing the Document management System through the grant;
 - Finalizing the draft amendments aimed to harmonize the capital market legal framework based on the feedback received from stakeholders (3 laws, 120 amendments)
 - Promoting the amendments to the Mortgage Law (the goal is to submit the amendments to the National Assembly for adoption within the following weeks);
 - Promoting the PEOs profession and providing support in establishing dialogue with the banking sector;
 - Finalizing the draft law based on the feedback received from stakeholders;
 - If the law is adopted, provide expert support in reviewing and advising about selected bylaws;
 - If the law is adopted, prepare training on clearing process and oversight of the clearing for the SC and NS CE
 - Video testimonials produced on the grant “Strengthening the Capacity of SMEs in Serbia to Access Finance - The Role of Good Accounting”
 - Video training material edited and educational Manual finalized on the grant.
 - Draft PR/Outreach campaign plan developed on the grant.
 - Plan, organize and complete a second round table within the grant "SME Growth Opportunities and How Policies and Banks Miss Them".
 - Report on conclusions from the second round table finalized, disseminated to participants and other stakeholders on the grant.
 - Final technical report submitted for the grant.
 - Incite the MoF and other stakeholders to form a working group which should deal with the identified regulatory barriers;
 - Present the White Paper findings to the relevant stakeholders;
 - Engage in the activities of the working group;
 - Agree on following steps with MoE, depending on the reply from the NBS
 - Include the financing related questions for the OECD Scoreboard purposes to BEP Business Survey questionnaire, if agreed with the NBS;
 - Choose a grantee for the development of the SME Portal, which is being created in cooperation with the Serbian Chamber of Commerce (based on the Memorandum of Understanding between the SCC and BEP)
 - Finish the grantee approval procedure and contracting, and start working in the portal development, in cooperation with the grantee and the SCC.
 - Obtain an appropriate opinion of MoTT on the prepared comparative analysis in order to make further progress
 - Make further progress on the actual new model of Bookkeeping of trading records kept in the so-called KEPU Book incorporating MoTT views.
 - Together with the NBS finalize establishment of a central national data base that will contain

information necessary for sound collateral valuation, detailed analysis of the real estate market, and calculation of the real estate value index for Serbia.

- Advocate for establishment and development of sound and efficient real estate profession.
- Provide advisory support on the reform of real estate valuation
- Technical advice and assistance to the MoE in prioritizing and implementing selected recommendations from BEP White Paper on Access to Finance.

ATTACHMENT 1: BEP WORK ORGANIZATION



ATTACHMENT 2: LIST OF MEDIA PUBLICATIONS

No	Date	Press	Title
1	01. 04. 2014	Bizlife.rs	Serbia Charges More Than 1,200 Taxes
2	01. 04. 2014	Novimagazin.rs	Serbs Pay More Than 1,200 Taxes
3	01. 04. 2014	Novosti.rs	Serbs Pay More Than 1,200 Taxes
4	01. 04. 2014	Poslovnojutro.com	Serbs Pay More Than 1,200 Taxes
5	01. 04. 2014	Poslovnojutro.com	Serbs Pay More Than 1,200 Taxes
6	01. 04. 2014	Privredni pregled	Tax Closes Enterprises
7	01. 04. 2014	Telegraf.rs	Serbs Pay More Than 1,200 Taxes
8	01. 04. 2014	Večernje novosti	Erasing One Tax, Another Two Arrive
9	01. 04. 2014	TV KCN	Huge Number of Taxes in Serbia
10	01. 04. 2014	Vaseljenska.com	Serbs Pay More Than 1,200 Taxes
11	01. 04. 2014	Rtk.co.rs	Serbia Charges More Than 1,200 Taxes
11	02. 04. 2014	Danas - Poslovi	Economy Pays 384 Non-Tax Levies
12	02. 04. 2014	Politika	Through the Maze To Get Construction Permit
13	02. 04. 2014	Novinenovosadske.rs	Employees On Leasing
14	02. 04. 2014	Politika.rs	Through the Maze To Get Construction Permit
15	02. 04. 2014	021.rs (Radio 021)	Which Are the Worst Counters in Serbia?
16	02. 04. 2014	24 sata	SMS NEWS
17	02. 04. 2014	Akter.co.rs	Republic Insurance Fund and Cadastre – the Most Hated Counters
18	02. 04. 2014	Mondo.rs	The Longest Line for Companies Are on the Counters of Republic Insurance Fund and Cadastre
19	02. 04. 2014	Politika.rs	Getting Construction License Through A Labyrinth
20	02. 04. 2014	Poslovnojutro.com	The Longest Line for Companies Are on the Counters of Republic Insurance Fund and Cadastre
21	02. 04. 2014	Studiob.rs	Republic Insurance Fund and Cadastre – the Most Hated Counters
22	02. 04. 2014	Vaseljenska.com	Republic Insurance Fund and Cadastre – the Most Hated Counters
23	03. 04. 2014	Economy.rs	The Most Hated Counters in Serbia

24	03. 04. 2014	TV Pink	Results of The Survey About Waiting in Lines, in Organization of USAID and NALED
25	02. 04. 2014	Politika.rs	Republic Insurance Fund and Cadastre – the Most Hated Counters
26	02. 04. 2014	24sata.rs	Which Counters Are the Most Hated in Serbia and How Long Do We Wait in Lines?
27	02. 04. 2014	Rts.rs	The Most Hated Counters in Serbia
28	02. 04. 2014	Naše novine	The Longest Line is on Counters of Cadastre and the Republic Insurance Fund
29	02. 04. 2014	Blic	The Longest Line Is in Cadastre
30	02. 04. 2014	Alo!	The Most Hated Counters
31	02. 04. 2014	Bizlife.rs	Which Counters Have the Longest Lines?
32	02. 04. 2014	B92.net	Republic Insurance Fund and Cadastre – the Most Hated Counters
33	02. 04. 2014	Novosti.rs	Republic Insurance Fund and Cadastre – the Most Hated Counters
34	02. 04. 2014	Blic.rs	Republic Insurance Fund and Cadastre – the Most Hated Counters
35	02. 04. 2014	Bktvnews.com	“Vicious Tellers” on the Counters of Republic Insurance Fund and Cadastre!
36	02. 04. 2014	Dnevno.rs	Which Are the Worst Counters in Serbia?
37	02. 04. 2014	Glassrbije.org	Republic Insurance Fund and Cadastre – the Most Hated Counters
38	02. 04. 2014	Tvbest.rs	Republic Insurance Fund and Cadastre – the Most Hated Counters
39	02. 04. 2014	Novosti.rs	Republic Insurance Fund and Cadastre – the Most Hated Counters
40	02. 04. 2014	Politika.rs	Republic Insurance Fund and Cadastre – the Most Hated Counters
41	02. 04. 2014	RTS.rs	The Most Hated Counters
42	02. 04. 2014	Poslovnojutro.com	Firms Wait the Most on Republic Insurance Fund and Cadastre Counters
43	02. 04. 2014	Studiob.rs	Republic Insurance Fund and Cadastre – the Most Hated Counters
44	03. 04. 2014	Novosti.rs	Republic Insurance Fund and Cadastre – the Most Hated Counters in Serbia
45	03. 04. 2014	Radio Beograd 1	Counter problems in Serbia
46	03. 04. 2014	TV Pink	Results of Survey about waiting on Counters in Organizations NALED and USAID
47	03. 04. 2014	Ekipija.com	Republic Insurance Fund and Cadastre – the Most Hated Counters
48	04. 04. 2014	TV B92	USAID Research
49	04. 04. 2014	Telegraf.rs	These are The Most Hated Counters
50	04. 04. 2014	Dnevnik.rs	Corruption Destroys Construction
51	04. 04. 2014	Kurir-info.rs	Seven Worst Counters in Serbia - Longest Line in Cadaster – Waiting for A Whole Hour
52	04. 04. 2014	Narodne novine	Cadaster Absolut Recorder in Waiting

53	04. 04. 2014	Politika	Suitcase With Papers To Cornerstone
54	04. 04. 2014	Blic	Seven Worst Counters in Serbia
55	04. 04. 2014	Dnevnik.rs	Corruption Destroys Construction
56	04. 04. 2014	Kurir-info.rs	Seven Worst Counters in Serbia – Longest Line in Cadaster – Waiting for A Whole Hour
57	04. 04. 2014	Politika.rs	Suitcase With Papers To Cornerstone
58	04. 04. 2014	Telegraf.rs	These are The Most Hated Counters in Serbia
59	05. 04. 2014	Vaseljenska.com	Suitcase With Papers To Cornerstone
60	05. 04. 2014	Dnevnik	Corruption Destroys Construction
61	07. 04. 2014	RTS 2	It's Not Terrible To Fall : III part
62	07. 04. 2014	TV KCN	Guest: Ivan Radak
63	07. 04. 2014	Rtv.rs	Used on Lines
64	08. 04. 2014	RTV1	Average Waiting on Serbian Counters Half an Hour
65	09. 04. 2014	Tanjug.rs	AmCham Absolutely Supports Government Reforms
66	09. 04. 2014	Akter.co.rs	AmCham Supports Government Reforms
67	11. 04. 2014	Biznis & Finansije	How Much Do Second Thoughts Cost?
68	11. 04. 2014	Biznis & Finansije	You Are Telling Me?
69	11. 04. 2014	Jugpress.com	NALED Gets Involved In EU Negotiations
70	14. 04. 2014	TV Pink	Laws Must be of Good Quality, Applicable and to Actually Produce Results
71	15. 04. 2014	Bif.rs	Piercing of the corporate veil: Why are intractable, however, untouchable?
72	15. 04. 2014	Bif.rs	Piercing of the corporate veil: Why are intractable, however, untouchable?
73	17. 04. 2014	Bif.rs	Who Advises GoS? You Are Telling Me?
74	17. 04. 2014	Nin	Lower Taxes on Smaller Incomes
75	18. 04. 2014	RTS 1	Monopolists and losers
76	18. 04. 2014	Rts.rs	Monopolists and losers
77	19. 04. 2014	RTS 1	Entrepreneurs in the Jaws of Taxes
78	21. 04. 2014	Build	Two billion dollars of earnings if the builders join together
79	24. 04. 2014	Danas	Purchasing Power of Citizens Continued to Decline
80	24. 04. 2014	Narodne novine	Suitcase With Papers To Cornerstone
81	24. 04. 2014	Bizlife.rs	Who is Dušan Vujović, The Man Who Will Lead the Serbian Economy?

82	24. 04. 2014	Blic	Huge Losses Due to Smuggling
83	24. 04. 2014	Dnevnik	Tobacco Smuggling Costs New Bridge
84	24. 04. 2014	Informer	We Lose As Much as Three Billion
85	24. 04. 2014	Privredni pregled	Cut Tobacco Smuggling "ate" Zemun-Borča Bridge
86	24. 04. 2014	Večernje novosti	Tobacco Costs Whole New Bridge
87	24. 04. 2014	B92.net	What Leads Us to Slip Into Gray Economy?
88	24. 04. 2014	Blic.rs	More Than Half of The Population Does Not Justify the Grey Economy
89	24. 04. 2014	Glassrbije.org	Decisively Against The Grey Economy
90	23. 04. 2014	Akter.co.rs	Tobacco Smuggling Costs New Bridge
91	23. 04. 2014	B92.net	Tobacco Smuggling Costs New Bridge
92	23. 04. 2014	Bktvnews.com	Tobacco Smuggling Costs New Bridge
93	23. 04. 2014	Dnevnik.rs	Tobacco Smuggling Costs New Bridge
94	23. 04. 2014	Mondo.rs	Tobacco Smuggling Costs New Bridge
95	23. 04. 2014	Mondo.rs	Tobacco Smuggling Costs New Bridge
96	23. 04. 2014	Pravda.rs	Tobacco Smuggling Costs New Bridge
97	23. 04. 2014	Rtv.rs	Tobacco Smuggling Costs New Bridge
98	23. 04. 2014	TV Sky plus	Tobacco Smuggling Costs New Bridge
99	23. 04. 2014	Tanjug.rs	Tobacco Smuggling Costs New Bridge
100	23. 04. 2014	Tanjug.rs	Tobacco Smuggling Costs New Bridge
101	23. 04. 2014	Tanjugbiz.rs	Tobacco Smuggling Costs New Bridge
102	23. 04. 2014	Tanjugbiz.rs	Tobacco Smuggling Costs New Bridge
103	23. 04. 2014	Telegraf.rs	Tobacco Smuggling Costs New Bridge
104	29. 04. 2014	Juznevesti.com	Grey Economy Destroys Healthy Competition
105	06. 05. 2014	Ilustrovana politika	Micro Business Builds The Economy
106	14. 05. 2014	Biznis & Finansije	All Are Equal, Still Some Are "more equal"
107	15. 05. 2014	Radio Beograd 1	Public-Private Partnership is a Concept Tried in Developed Countries
108	25. 05. 2014	Poslovnojutro.com	Memorandum of Understanding Between PKS and BEP Signed
109	26. 05. 2014	Vibilia.rs	Memorandum of Understanding Between PKS and BEP Signed
110	28. 05. 2014	TV KCN	Guest- Miroslav Aničin

111	02. 06. 2014	Večernje novosti	We must learn how to spend money
112	02. 06. 2014	Novosti.rs	We must learn how to spend money
113	02. 06. 2014	Krstarica.com	We must learn how to spend money
114	04. 06. 2014	Blic.rs	Atanasijević: Labor Law will ease the employment
115	04. 06. 2014	RTS 1	Guest - Vladan Atanasijević
116	04. 06. 2014	Tanjug.rs	Atanasijević: Labor Law will ease the employment
117	05. 06. 2014	021.rs (Radio 021)	Compensation for Past Work only With the Last Employer
118	05. 06. 2014	Bif.rs	In Serbia still low quality of regulatory environment
119	05. 06. 2014	Bizlife.rs	Labor Low and The Devil's Work
120	05. 06. 2014	Blic.rs	NALED: Serbia Improved Regulatory Environment, Biggest Problem Low Implementation
121	06. 06. 2014	Privredni pregled	ICT Hub, Chance for Starting IT business
122	05. 06. 2014	Tanjug.rs	NALED: Serbia Improved Regulatory Environment
123	05. 06. 2014	Tanjugbiz.rs	NALED: Serbia Improved Regulatory Environment
124	04. 06. 2014	Economy.rs	Ask When- Devil's Work
125	04. 06. 2014	RTS.rs	NALED: To Labor Low Through Compromise
126	04. 06. 2014	Radio Novi Sad 1	46% of Employers would Hire New Workers if Labor Low Were Changed
127	04. 06. 2014	Tanjug.rs	Atanasijević: Labor Law will facilitate the employment
128	06. 06. 2014	B92.net	Promotion of municipalities for investment
129	06. 06. 2014	Juznasrbija.info	Quality of Regulatory Framework in Serbia still Not on Satisfactory Level
130	07. 06. 2014	Dnevnik - TV magazin	Devil's Work for Better Future
131	09. 06. 2014	Privredni pregled	Devil's Work in Labor Low Spot
132	11. 06. 2014	Kurir	Serbia needs to implement laws better
133	10. 06. 2014	Sumadijapress.com	Can Devil Represent New Labor Low?
134	11. 06. 2014	Kurir-info.rs	Serbia Needs to Implement Laws Better
135	12. 06. 2014	TV Pink	The Quality of Legal Environment in Serbia Still Not on Satisfactory Level
136	18. 06. 2014	B92.net	Law on Construction In July in Parliament
137	18. 06. 2014	Blic.rs	Law on Planning and Construction in July in Parliament

138	18. 06. 2014	Dnevnik.rs	Mihajlovic and Lowther on Faster Issuing of Construction Permits
139	18. 06. 2014	Glassrbije.org	Mihajlovic and Lowther on Faster Issuing of Construction Permits
140	18. 06. 2014	Kurir-info.rs	Minister Mihajlovic on Meeting With USAID Delegation in Serbia
141	18. 06. 2014	Poslovnojutro.com	USAID Support in Implementation of New Law on Planning and Construction
142	18. 06. 2014	RTS.rs	Mihajlović: Law on Construction In July
143	18. 06. 2014	Srbijadanas.com	Mihajlovic on Faster Issuing of Construction Permits
144	18. 06. 2014	Tanjug.rs	Mihajlovic and Lowther on Faster Issuing of Construction Permits
145	18. 06. 2014	Vibilia.rs	Proposal on Changes of Law on Planning and Construction in Parliament Procedure in July, announced Minister Mihajlović
146	19. 06. 2014	24 sata	SMS news
147	19. 06. 2014	Naše novine	Law on Construction In July
148	19. 06. 2014	Večernje novosti	Faster to Permits
149	19. 06. 2014	Dnevnik.rs	Mihajlovic and Lowther on Faster Issuing of Construction Permits
150	19. 06. 2014	Gradjevinarstvo.rs	Mihajlovic and Lowther on Faster Issuing of Construction Permits
151	19. 06. 2014	Newbalkan.com	USAID Support in Implementation of New Law on Planning and Construction
152	19. 06. 2014	Vibilia.rs	Law on Planning and Construction in July in Parliament
153	21. 06. 2014	Biznis & Finansije	The Other Hand
154	24. 06. 2014	B92.net	High Taxes are Not the Cause of the Shadow Economy
155	24. 06. 2014	Bif.rs	Shadow Economy in Serbia Greatest in Europe
156	24. 06. 2014	Bizlife.rs	Shadow Economy – Strategic game Between State and Tax Payers
157	24. 06. 2014	Blic.rs	Because of Shadow Economy State Loses Thirty Percent of GDP
158	24. 06. 2014	Danas.rs	Visible Results Till The End of Mandate
159	24. 06. 2014	Economy.rs	Shadow Economy in Serbia Greatest in Europe
160	24. 06. 2014	Novimagazin.rs	Arsić: High Taxes are Not the Cause of Shadow Economy
161	24. 06. 2014	Novinenovosadske.rs	Shadow Economy in Serbia Greatest in Europe
162	24. 06. 2014	Novosti.rs	Shadow Economy in Serbia Greatest in Europe
163	24. 06. 2014	Poslovnojutro.com	Shadow Economy in Serbia Greatest in Europe
164	24. 06. 2014	RTS 1	Shadow Economy in Serbia a Little Higher than Thirty Percent of GDP
165	24. 06. 2014	RTS.rs	Arsić: High Taxes are Not the Cause of the Shadow Economy

166	24. 06. 2014	Radioluna.rs	Shadow Economy in Serbia Greatest in Europe
167	24. 06. 2014	Rtv.rs	Shadow Economy in Serbia Greatest in Europe
168	24. 06. 2014	Srbin.info	We are Improving: Serbia is the Leader in Europe, Has the Strongest Shadow Economy
169	24. 06. 2014	Vibilia.rs	Shadow Economy in Serbia Greatest in Europe
170	25. 06. 2014	Danas	Visible Results Till The End of Mandate
171	27. 06. 2014	Dnevnik	One Third of the Economy Works Illegally
172	29. 06. 2014	Biznis	Unsatisfactory Regulatory Environment

ATTACHMENT 3: PROGRESS VERSUS WORKPLAN

Component 1: Business Regulation and Economic Governance				
Task	Activities	Activity Period	Deliverables	Status Q2
Objective 1: Improve and streamline business regulation				
1. Improve Inspections Operations and Organization	Provide technical and other assistance for development and adoption of the legal, regulatory and institutional framework for inspection oversight reform	Jan – Dec 2014	<p>Draft Law on Inspection Oversight and other necessary laws and bylaws governing business inspection oversight</p> <p>Relevant supporting documents for development and adoption of new business inspection oversight framework</p>	Continued to support the Ministry of State Administration and Local Government (MoSALG) and Working Group in development of the Draft Law on Inspection Oversight. In parallel with development of the Draft Law on Inspection Supervision, BEP designed the Draft Decree on Common Elements of Risk Assessment in Inspection Supervision, as one of the key by-laws under the future Law. BEP produced two documents dealing with the harmonization of Serbian law with international inspection standards and good practice, and on institutional framework for coordination of inspection supervision, and shared it with the MoJSA, core WG and business associations.
	Assist the introduction of the inspection information system (e-Inspections)	Jan – Dec 2014	Inspection information system (e-Inspections) design	BEP and Ministry of State Administration and Local Government, in charge for e-government and presented viewpoints on inspection reform, continued to play e-Inspections.

Component 1: Business Regulation and Economic Governance

Task	Activities	Activity Period	Deliverables	Status Q2
				BEP and the Labor Inspectorate, explored means to marshal sufficient resources for implementation of e-Inspections.
	Support implementation of the new inspection oversight legal, regulatory and institutional framework	Jan – Dec 2014	<p>Implementation plan for inspection oversight reform</p> <p>Inspection oversight reform training program</p> <p>Documents relevant for implementation of inspection oversight reform</p> <p>Risk-based inspection oversight criteria and inspection oversight check-lists</p> <p>Public body in charge for coordination of inspection oversight formed and functional</p>	<p>The development of the accompanying Action Plan for the Strategy for Public Administration Reform, including inspection reform, is in its final phase. Communication with the inspections, business associations and other stakeholders and joint outreach campaign (BEP and NALED) is in progress. BEP expert presented inspection oversight reform direction and efforts on BIZLife Roundtable on combatting grey economy and role of inspections. Training program and other activities to be launched following adoption of the new legal and institutional framework.</p>

Component 1: Business Regulation and Economic Governance

Task	Activities	Activity Period	Deliverables	Status Q2
2. Remove or reduce quasi fiscal burdens to businesses	Provide technical and other assistance for continuation and implementation of regulatory reform of para-fiscal charges and fees	Jan – Oct 2014	<p>Revised list of parafiscal charges and fees</p> <p>Analysis and regulatory reform recommendations in respect to continuation and implementation of reform of para-fiscal charges and fees reform</p> <p>Draft legislation and regulation governing charges for usage of public resources, and other para-fiscal charges and fees</p> <p>Relevant supporting documents for continuation and implementation of para-fiscal charges and fees reform</p>	<p>BEP and NALED (grantee) developed overview and ex-post impact analysis of conducted reforms of non-tax and para-fiscal revenues and levies. Design of comprehensive set of regulatory recommendations, following ex-post impact analysis, is on-going.</p> <p>BEP and NALED supported development of the Draft Law on Charges for Utilization of Public Goods, and actively participate in the WG. During this quarter, the Ministry of Finance postponed work on this Draft Law, as well as on the modifications to the Law on Financing Local Units, that governs business name display fee (serb. firmarina).</p>
	Support establishment of a tool for comprehensive monitoring of the level of parafiscal impositions on businesses	Jan – Oct 2014	<p>Tool for comprehensive monitoring of the level of para-fiscal impositions on</p>	<p>BEP and NALED keep updating the register of non-tax and para-fiscal imposts. The latest update may be found via link. http://www.naled-</p>

Component 1: Business Regulation and Economic Governance

Task	Activities	Activity Period	Deliverables	Status Q2
			businesses	serbia.org/en/page/63/Para-fiscal-registry Regulatory Index of Serbia (RIS) 2013 was presented in May 2014, including data on burden of para-fiscal charges.
	Conduct public consultations, outreach and communication activities to support the continuation and implementation of regulatory reform of para-fiscal charges and fees	Mar – Nov 2014	Roundtables and other forms of public consultations, outreach and communication Inputs for para-fiscal charges and fees reform	Communication with the businesses and other stakeholders and joint outreach campaign (BEP and NALED) is in progress.
3. Streamline Construction Permitting	Assist development of sectoral laws needed for reform of construction permitting	Jan – Apr 2014	Sectoral laws amended to uphold construction permitting reform	BEP provided technical assistance to the Ministry of Construction, Transport and Infrastructure (MCI) Working Group for the Draft Law on Planning and Construction, and has a representative on the official working group. Working with its partners (primarily with the NALED, SCTM and AMCHAM), BEP organized informal consultations with stakeholders. The WG finalized the Draft and it is now ready for the process of collecting ministries' opinions. The current Draft incorporates important reform concepts promoted by BEP. BEP conducted a simulation of the expected effects of this Draft.

Component 1: Business Regulation and Economic Governance

Task	Activities	Activity Period	Deliverables	Status Q2
				USAID organized relevant donors: World Bank, EU, Swiss and German Embassies and USAID to agree on joint approach in promoting reforms in CP area. The donors sent a joint letter to the Prime Minister.
	Assist development of bylaws needed for implementation of the Law on Spatial Development and Construction (LSDC) and of sectoral laws	Jan-Jul 2014	Bylaws needed implementation of the Law on Spatial Development and Construction (LSDC) and of sectoral laws adopted	BEP developed drafts of following sectoral laws: Law on Public Roads, Law on Waters, Law on Energy, Law on Railways, Law on Fire Protection, Law on Cultural Artefacts and Law on Communal Utility Activities. These drafts are ready to be discussed with relevant ministries and other stakeholders. BEP is ready to start providing assistance with development of the bylaws as soon as relevant laws are adopted. BEP also proposed to the line Ministry an outline of the implementation plan for construction permits reform, including suggested timeline and indication of possible BEP support.
	Train public officials and inform investors on the content of the reforms	Jan 2013 – Jan 2014	Training program for public officials Manuals for implementation of the	This activity will be implemented after the LSDC is adopted, possibly in Q3 and Q4 of 2014.

Component 1: Business Regulation and Economic Governance

Task	Activities	Activity Period	Deliverables	Status Q2
			reformed permitting system and guides for investors	
	Educate public on the importance of implementing the construction permits reforms and on their expected impact	Feb-Nov 2014	Public discussions and media reports on importance and benefits of implementing reforms	Working with its partners (primarily with the NALED, SCTM and AMCHAM), BEP organized four consultative meetings on the most important elements of the Draft. BEP and the Ministry agreed to co-organize a Roadshow throughout Serbia (hopefully in September) after the law is enacted.
	Develop hardware and software requirements for e-Permitting	Apr – Sep 2014	Hardware and software requirements for e-Permitting developed	BEP and Republic Geodetic Authority (RGA) agreed on the methodology and approach for further development and implementation of the Web Based Inventory of Spatial and Urban Planning Documents. The implementation is already in progress and it will be a five month process. BEP is in process of learning about the achievements of the Macedonian e-Permitting system that can serve as a role model for establishment of its Serbian equivalent.
	Support coordination mechanisms and activities for implementation of the construction permitting reform	Jan – Dec 2014	Effective coordination mechanisms for	BEP continues urging the GoS to establish a coordination mechanism for implementation of

Component 1: Business Regulation and Economic Governance

Task	Activities	Activity Period	Deliverables	Status Q2
			implementation of the construction permitting reform	the construction permitting reform.
	Monitor implementation of the construction permitting reform and help define and implement needed adjustments	Mar – Dec 2014	Adjustments to the contraction permitting system implemented	This activity will be implemented after the LPC is adopted, hopefully in Q3.
4. Reduce the employing workers burden	Train stakeholders on new labor legislation	Jan – Apr 2014	Training and materials	After the Labor Law is adopted in Parliament (hopefully by the end of June 2014), BEP will organize a Roadshow throughout Serbia (July and end of August, beginning of September).
	Facilitate dialogue between business associations, trade unions and Ministry of Labor and Social Policy on reform of labor legislation and regulations	Jan – Dec 2014	Meetings / Meeting Reports on agreements and outstanding issues - Roundtables and/or thematic discussions / Summaries and conclusions - Analyses and researches with special reference to the best international practices, EU directives and ILO conventions / Research papers and	BEP advised GoS and its working group (WG) on revisions to the draft of the Labor Law changes. BEP shared its list of priority recommendations (jointly drafted with AMCHAM and NALED) with the reps of Ministry of Finance (members of the WG) who agreed with all suggestions. The WG finalized The Draft and sent it to the relevant ministries to get its' opinions. BEP and IMF harmonized suggestions and communicated them to the GoS. The Draft is in line with almost all recommendations of businesses supported by USIAD BEP.

Component 1: Business Regulation and Economic Governance

Task	Activities	Activity Period	Deliverables	Status Q2
			Assessments	
	Organize outreach campaign and public-private dialogue to inform decision makers, stakeholders and general public about the impact of current policy environment and expected outcomes of proposed reforms	Jan – Dec 2014	Public discussions - Outreach campaign (traditional media, Ask When campaign)	Video created for the joint campaign for cutting the red tape “Ask WHEN” – Work of the Devil, was presented in RTS Morning news and became part of the regular ad scheme. In just 12 days, the video reached the impressive 42.242 views on YouTube, and counting. The video has been aired number of times on national TV (RTS1) including primetime. Prepared joint press release (NALED, AMCHAM, Employers Association of Serbia, Serbian Association of Managers and maybe Serbian Chamber of Commerce) to be released after the GoS adopts the Law. The press release will support the draft law.
	Provide technical assistance for legal drafting related with labor legislation	Jan - Dec 2014	Drafting Labor Law and other supporting documents (explanations, harmonization tables, RIA, Models of Employer's Rule Book and other relevant documents for businesses of	The activity will take place after the Law is adopted by Parliament.

Component 1: Business Regulation and Economic Governance

Task	Activities	Activity Period	Deliverables	Status Q2
			different sizes) - Study tour in Croatia	
Objective 2: Business effectively partners with Government in developing and implementing regulatory reforms				
1. Improve Public-Private Dialogue	Develop mechanisms for monitoring and evaluation of Government's policies and their delivery, including the inclusiveness and transparency of policy making.	Jan – Oct 2013	Mechanisms for monitoring and evaluation of Government's policies and their delivery developed	Results of Regulatory Index of Serbia (RIS) 2013 were presented in May 2014. Main conclusion was that the quality of regulatory environment in Serbia reaches only 41.8% of the desired standard, and the most critical point of legislation process is the law enforcement.
	Conduct Annual Business Survey continuing the practice started in the Year 1	Jun – Nov 2013	Annual Business Survey report	Activity will start in Q2 to deliver the 2014 survey in the Q3.
	Organize PPD events as forums for discussion between the Government and businesses on improvement of business environment.	Jan 2013 – Jan 2014	PPD events	Supported seven events. Events included: <ul style="list-style-type: none"> • Consultations with businesses on conversion • Consultations with businesses on construction permits • RIS results presentation
2. Implement regulatory reforms	Select three to five most costly administrative impediments for doing business in Serbia as identified in the BEP SCM study, Ministry of Economy Draft Action Plan for Improvement of Business Environment, NALED's Grey Book, GoS Comprehensive Regulatory Reform project and other relevant analyses	Jan – Mar 2014	List of three to five most costly administrative impediments for doing business in Serbia whose reform is feasible without	Working with representatives of the Regulatory Reform Office, developed list of administrative procedures whose simplification is most feasible.

Component 1: Business Regulation and Economic Governance

Task	Activities	Activity Period	Deliverables	Status Q2
			major legislative changes	
	Provide technical assistance to develop regulatory changes to address the most costly administrative burdens	Feb – Jun 2014	<p>Texts of proposed legal interventions related with selected administrative impediments</p>	<p>BEP established cooperation with Tax Authority (TA) and discussed options for simplifying most costly or burdensome. BEP provided recommendations to the on possible methods to reform these procedures to streamline redundant administrative procedures. TA promised to implement.</p> <p>BEP provided technical assistance to the Ministry of Economy for development of the Strategy and Action Plan for Business Enabling Environment.</p> <p>BEP met all relevant stakeholders and developed draft analysis on regulation and practice regarding KEPU book (records on commodity transactions and accompanying services), including recommendations for reform.</p>
	Provide limited management capacity building assistance for implementation of selected improvements to the business environment	Mar – Dec 2014	<p>Trainings for implementation of regulatory changes</p>	<p>Two round tables organized regarding KEPU book Remodeling Bookkeeping of trading records kept in the so-called KEPU Book</p>

Component 1: Business Regulation and Economic Governance

Task	Activities	Activity Period	Deliverables	Status Q2
	Communicate to the general public and stakeholders potential and realized savings based on activities related with reducing the administrative burden of doing business in Serbia	Mar – Dec 2014	Media reports on benefits of implementing reforms	Scenario for the second video within the grant “Business Heartbeat” and the video will be finalized in the Q3.

Component 2: Macroeconomic Policy and Public Financial Management

Task	Activities	Activity Period	Deliverables	Status Q2
Objective 1: Improve GoS budgeting, fiscal policy analysis, and financial management efficiency				
1. Capacity building assistance to the Fiscal Council and Improvements to fiscal responsibility	Technical assistance with development of selected fiscal multipliers to improve the government’s ability to assess the economic growth impact of various policies and meet EU standards on fiscal analysis.	Jan-Apr	Econometric analysis Advisory Brief on Multipliers	BEP’s consultants developed the fiscal multipliers. Final presentation for FC members delivered in April.
2. Improvements to MoF Fiscal Analysis and Strategy	Technical assistance to the MFD to develop and utilize a Bridge Model to strengthen macroeconomic and fiscal forecast and analyses and support fiscal policy-making.	Sept-Dec	Bridge Model, Training, Training Materials and Guidelines	BEP is exploring regional practice in development and utilization of Bridge model (including in Croatia, Slovenia, Macedonia and Hungary) which can be replicated in Serbia. This will be followed by development of technical specifications for the model.
	Continuation of the grant funded technical assistance for implementation and sustainable use of the DSGE model	Jan - July	DSGE Model, Training, Training Materials and Guidelines	BELOX and MFD team improved the QUEST_Serbia model with the new statistical data for the Y14Q1 and quarterly data on Serbia’s GDP, by use and by value-added breakdowns, for the period from Q1Y2003 to Q4Y2013.

Component 2: Macroeconomic Policy and Public Financial Management				
Task	Activities	Activity Period	Deliverables	Status Q2
				This release differs from the previous one by changing the constant price basis for complying data from 2005 to 2010. Output of this activity is new version of QUEST_Serbia model. The MFD team will start using the model in drafting the Fiscal Strategy and Annual Pre-Accession Economic Program.
	Further training on using the fiscal multipliers being developed by the Fiscal Council. (This will overlap with support to FC)	Jan-Mar	Econometric analysis Advisory Brief on Multipliers	Presentation for MFD staff was delivered in April.
	Support to MoF to institutionalize the Citizen's Guide to the Budget.	Feb- July	Training and guidance on preparation of CG	The Citizen's Guide was finalized in March, but due to election and new Law of ministries it will be modified and adjusted with Revised budget law, expected in September.
3.Assistance to the GoS and Parliament to improving budget coordination and performance management	Technical training series for the Parliamentary Finance Committee on specific program budgeting issues; general training to all other parliamentary committees on program budgeting	March - Dec	Training and Training Materials Advisory Notes	Trainings for Finance Committee on program budgeting issues are expected to begin in September <i>MP's Orientation Seminar</i> is postponing from the end of the May to July. BEP experts will provide presentation, which cover three topics based on BEP activities: Strengthening the Role of Parliament in Budgetary Decision-making and Oversight, Public Finance Sustainability and Legislative Reforms for Jobs Creation and Economic Growth.

Component 2: Macroeconomic Policy and Public Financial Management				
Task	Activities	Activity Period	Deliverables	Status Q2
	Continuation of technical briefings on new business and financial sector legislation prepared with BEP assistance (e.g. inspections, construction permitting, labor, factoring, leasing, commodity exchange, brokerage capital requirements, etc.)	Depends on when laws get submitted		Technical briefings on new business and financial sector legislation are expected to start in September
. Assist the MoF Budget Department to develop capacity for improved transparency and program budgeting	Technical support to GoS budget users to implement program budgeting (including the Provincial Government of Vojvodina)	Jan - Oct	Action Plan Training and Training Materials Advisory Notes	Workshops held with line ministries to help them develop programme structures and set goals and performance indicators to be used for 2015 budget. More than 200 members of working groups attended the workshops. The goal is to complete program budgeting structures with goals and indicators of all users by the end of July. BEP experts started workshops with Vojvodina and so far 6 Provincial Secretariats developed initial structures adjusted with central level. More than 60 people attending at these workshops.
	Assistance to the MoF in developing technical specifications and, if needed, arranging financing for a new budget preparation IT system.	Feb-Apr	Advisory Notes	BEP is providing advisory support and assistance to the MoF in the process of considering the new budget preparation IT system. Support to the development of technical specification for upgrade of existing short term budget preparation software (STBPS) is provided.

Component 2: Macroeconomic Policy and Public Financial Management				
Task	Activities	Activity Period	Deliverables	Status Q2
				We are providing the support in the upgrading of STBPS in line with developed technical specification and requirements of PB methodology, and also providing the advisory support and assistance to the MoF in the process of considering the new medium and long term budget preparation IT solution.
	Assistance to the SCTM and other projects in aligning the local government program budgeting framework to the central level framework.	Apr - Dec	Advisory Notes	Activity planned from August
	Assistance to the MoF Budget Department in developing a reporting framework and process for monitoring budget execution and training to budget users on the framework	Apr - Dec	Training and Training Materials Advisory Notes	Activity planned from October
	Assistance to the Treasury Department in modifying reporting procedures for budget monitoring and in developing new technical specifications for upgrading the FIMIS (budget execution monitoring system) to be capable with the new program budget format.	Sept - Dec	Advisory Notes	Activity planned from September
	Further assistance to the MoF management in strategic communications and in managing the reform process.	Feb – June	Action Plan Advisory Notes PR materials	Ongoing consultations with MoF management
5. Assistance to integrate program budgeting and performance management into national strategic planning	Technical input and coordination assistance to the General Secretariat and other stakeholders (SEIO, Office of Prime Minister) in integrating the program budgeting process with national strategic planning process.	March - Dec	Advisory Notes	Activity planned from September
	Regional study tour for high-level GoS officials in program budgeting and its use in strategic planning	Sept - Dec		Activity planned from September
	Consultations with stakeholders, such as the parliamentary Finance Committee, NGOs, expert and donor community, and policymakers	All year		Ongoing
Objective 2: Improve public debt management and conditions for government financing				
1. Improving conditions for public investment	See Component 3, Objective 3			Activity to be started once the new Government is established.

Component 2: Macroeconomic Policy and Public Financial Management				
Task	Activities	Activity Period	Deliverables	Status Q2
in and trading of government debt				
2. Assistance to improve debt management systems, reporting, analysis, and capacity	Continued support for testing a potentially new software Commonwealth Secretariat Debt Recording and Management (DMRS)	March - June	Advisory Report	Continued support for testing a potentially new software Commonwealth Secretariat Debt Recording and Management (DMRS)
	Technical assistance on Strategy for public debt and risk management information system development to increase efficiency and effectiveness of PDA combined with a substantial reduction of the operational risks.	March -Dec	Draft Strategy	Testing a potentially new software Commonwealth Secretariat Debt Recording and Management (DMRS)
Objective 3: Improve macroeconomic policy, strategy, and analysis				
1. Tactical Assistance to advance the GoS macroeconomic strategy	Advocacy and outreach on the results of the Shadow Economy Study. (In cooperation with NALED.)	Jan-Dec 2014	Outreach	BEP's expert participated as a panelist in a roundtable dedicated to reducing the shadow economy, organized by BIZLife business magazine and the Serbian Association of Managers.

Component 3: Financial Market Development				
Task	Activities	Activity Period	Deliverables	Status Q2

Component 3: Financial Market Development				
Task	Activities	Activity Period	Deliverables	Status Q2
Objective 1: Strengthening capital markets¹				
1. Assistance to build supervision capacity of Securities Commission (SC)	Further capacity building assistance to streamline supervisory practices and improve resource management through effective use of the new IT system supported by the Project.	Feb – Jun	Training Training Materials Consultations RBS Inspection Manual for brokerages	Activity to be started depending on the available resources;
2. Improve disclosure of information in compliance with the legal requirements and best international practice	Continued support for development and implementation of a new web-based information disclosure system for the Securities Commission	Oct 2013 – June 2014	Document Management and Public Register System Official Register of Information Report on Development of Document Management and Public Register System for the SC IT procedural training and training	Ongoing. Working with the grantee to develop the Document Management and Public Register System. Working on third implementation phase and entering into the thorough testing phase. After testing and final bug fixing, training and preparation of manuals shall start.

¹ Already completed: Based on the Ministry of Finance (MoF) request, BEP provided technical assistance in harmonizing capital markets laws and regulation. The activity included drafting amendments to three core laws governing the securities market: Capital Market Law, Takeover Law and Company. The amendments were drafted at the request of the MoF, and the conclusions of the MoFs working group that included relevant ministries and other capital market stakeholders (industry, market participants, and donors including BEP). The drafting process included areas of highest importance that raised the greatest controversy both among the business community and regulators, such as: determining market price of illiquid shares; buyout and sellout; pledge on securities; debt-to-equity swaps, etc. More than 120 articles were modified to ensure that the provisions were mutually compliant and in line with EU regulations and best practice. The MoF will distribute the draft amendments to the stakeholders for comments and review. Following any modifications based on feedback received, the final Draft will be submitted to the GoS and the Parliament for adoption.

Component 3: Financial Market Development				
Task	Activities	Activity Period	Deliverables	Status Q2
			materials	
Objective 2: Strengthen enabling environment for commodity exchange				
1. Assistance in development of legal framework and strengthening enabling environment for commodity exchange	Provide technical assistance in reviewing and finalizing the Commodity Exchange Law and relevant bylaws for the law	March - Dec	Draft Commodity Exchange Law bylaws	Ongoing. Finalizing a draft law in the area of clearing, as well as finalizing all documents and analysis needed for the law to be adopted by the GoS and the Parliament.
	Training to the SC and other main stakeholders on oversight and clearing at the contemporary commodity exchange.	April- Dec	Workshops Training material Study Tour Media coverage	Activity to begin after the law is adopted.
Objective 3: Improve GoS access to finance through development of a long-term, liquid public debt market				
1. Improving conditions for public investment in and trading of government debt.	Technical assistance to develop Framework for Developing Domestic Markets for Government Securities to build demand for dinar denominated debt from a wider investor base	March -Dec	Draft Strategy	Activity to be started once the PDA has capacity to make use of BEP assistance in developing/drafting the strategy

Component 3: Financial Market Development				
Task	Activities	Activity Period	Deliverables	Status Q2
Objective 4: Improving access to finance for small and medium enterprises and entrepreneurs				
1. Assistance in development and implementation of access to finance related laws	Support and facilitate reform of the leasing regulation to make it more competitive with international standards, including assistance to MoF in making selected amendments (if needed).	Jan - August	White Paper Roundtables Working Group meetings Consultations Draft amendments Public outreach	Ongoing: Defining next steps with the MoF on establishing a working group for resolving all identified issues from the White Paper Already completed: White Paper drafted and presented to Assistant Minister from the MoF.
	Advocacy and assistance for development of a regulatory framework for non-bank credit institutions followed by capacity building and outreach.	Jan – Dec	Advisory notes Consultations Roundtable(s) Draft law Training materials Media coverage	Ongoing. BEP finalized the Market Impact Assessment Report for Non-Deposit-Taking Micro-Financial Institutions (NDMFIs) operating in Serbia. The report is expected to be presented to the Serbian Ministry of Finance and the National Bank of Serbia in late July and, subsequently, to the broader public. BEP continues to advocate for the development of the regulatory framework for non-bank financing institutions (NBFIs).
2. Assistance to the MoE for implementation	Technical advice and assistance to the MoE in prioritizing and implementing selected recommendations from BEP White Paper on Access to Finance.	All year	Advisory notes Draft Action Plan	Ongoing. BEP finalized action plan for SMEs Development Strategy in the area of access to finance and expected to be adopted until the

Component 3: Financial Market Development				
Task	Activities	Activity Period	Deliverables	Status Q2
of "White Paper" recommendations on access to finance				end of June.
	Assistance to MoE/NBS in establishing efficient information collection and dissemination mechanism, including defining information that should be collected in order to improve access to finance for SMEs	January - October	Consultations Advisory brief on information parameters Additional indicators	Ongoing: Defining a model of collecting information from the businesses, If the NBS agrees, the questions will be added to the BEP business survey. Organizing a meeting with the NBS and MoE on joint activities. Already completed: Meetings held with the NBS and MoE, next steps of cooperation defined.
	Provide assistance in improving of dissemination of all information on SMEs' financing, including SMEs' state support programs.	January – July	Web portal Public outreach Roundtables Media coverage	Ongoing: The RFA has expired, BEP has received 5 offers, the grant comitee will be organized as soon as the comitee members evaluate the offers. Ass soon as the grantee is chosen, the creation of the portal can start. Already completed: Agreed cooperation with the Serbian Chamber of Commerce on improving of their existing business info service, by adding a portal with a special focus on access to finance for SMEs data. Signed a memorandum of understanding between BEP and the SCC. RFA published, expired, 5 offeres received on 27th of June.

Component 3: Financial Market Development				
Task	Activities	Activity Period	Deliverables	Status Q2
3. Assistance to improve state aid efficiency, monitoring and transparency	Assistance in evaluation of state aid financing program, possible re-designing or restructuring selected state programs	All year	Diagnostic of state support mechanism Targeted on-going advisory Programs design	Activity to be started once the new Government is established. BEP has already signed a Memorandum of Understanding with Ministry of Economy on technical assistance in evaluating Development Fund Programs, aiming at strengthening the effectiveness of the state aid interventions.
4. Assistance to strengthen professional services supporting access to finance	Assist the NBS to increase the quality of and set the standards for collateral valuation.	Feb – Nov	Technical report Draft bylaw Draft training materials and curricula	Ongoing. BEP engaged STTA to provide assistance to the NBS in designing and establishment of a central national data base that will contain information necessary for sound collateral valuation, detailed analysis of the real estate market, and calculation of the real estate value index for Serbia. BEP continued to advocate for establishment and development of sound and efficient real estate profession.

Component 3: Financial Market Development				
Task	Activities	Activity Period	Deliverables	Status Q2
	Assist the increase of quality and proper use of accounting for micro and SMEs	April – June 2014	Training and consultations Roundtables Legal drafting Advisory notes Workshops	For grant awarded on the “Role of Good Accounting in Access to Finance” developed and published with the grantee training material and curriculum, and design of video script. 1 Round table held
5. Strengthen the capacity of business associations to improve access to finance	Strengthen the capacity of bankers and business associations to advocate for reforms, focusing on access to finance.	February – June 2014	Training and consultations Roundtables Workshops	For grant awarded „SME Growth Opportunities and How Policies and Banks Miss Them“ prepared and submitted a report with stylized facts for SMEs financing, as well as interviews with the banking sector by the grantee. Briefing paper and first round table with banks held. Working on standard cost model for lending procedures.
	Explore opportunities to develop value chain finance	Apr- December	Training and consultations Advisory notes Media coverage	Factoring roundtable in Zajecar with more than 30 SMEs. Support to reach an official opinion about anti-money laundering in case of two-factor system that allows full implementation of the Factoring Law. Support to the factoring firms to fully implement two-factor system. Following the introduction of the first supply chain finance in Serbia providing ad-hoc support.

Component 3: Financial Market Development				
Task	Activities	Activity Period	Deliverables	Status Q2
6. Strengthen In-Court and Out of Court Credit Enforcement	Improve the collateral regulatory framework to enable efficient enforcement, particularly out-of court enforcement	Jan - Dec	<p>Identify and prioritize the changes in collateral regulatory legislation</p> <p>Draft amendments to a set of collateral related laws</p>	<p>Ongoing: BEP provides technical assistance to improve legal framework for mortgages in Serbia. Activities include reviewing Draft Amendments to the Mortgage Law and submitting comments and suggestions to the legal team supported by EBRD that is in charge of this reform. The key issues that need to be addressed relate to enabling out-of-court mortgage enforcement that was constrained over the past several years by the vague language of the current Mortgage Law and its inappropriate interpretation by the RGA. The amendments should be put up for public consultation during the upcoming weeks, while the GoS has announced they would be adopted before the Parliament's summer recess.</p> <p>Already completed: BEP and Association of Serbian Banks, facilitated drafting and public promotion of the amendments to the Mortgage Law.</p>
	Assist in continued improvements to implementation of in-court enforcement	Jan-Dec	Coordinate with GIZ Project on	Ongoing: BEP moderates Working Group 3 „Raising awareness and

Component 3: Financial Market Development				
Task	Activities	Activity Period	Deliverables	Status Q2
			assistance in implementation of the Enforcement law	<p>trust in the enforcement system" in 10th European Legal Policy Forum Enforcement of Civil Claims in Serbia: "Making Justice Work" organized by GlZ. The objective of the Working Group is to discuss the challenges of fostering awareness of and confidence in Enforcement Agents.</p> <p>Already completed: Series of consultations held and roundtables attended with the key stakeholders in order to discuss and design the possible options for assisting the implementation of Enforcement law.</p> <p>BEP is making an effort to gain active participation within the working group preparing amendments to the Law on Enforcement and Security.</p>
7. Support financial system stability reform	Support reform in order to improve management of financial stability to ensure stable financial system, strengthen confidence in the banking system, and increase the responsibility of all participants in the financial markets.	All year	<p>Identify and prioritize the changes in legislation</p> <p>Draft amendments and recommendations</p>	Activity to be redefined due to the coordination of activities with other donors .

ATTACHMENT 4: PROGRESS VERSUS PERFORMANCE MONITORING PLAN

Project Results / Objectives	Indicators	Measurement Unit	Data Collection Method	Schedule of Collection	Baseline	Targets Years 1-5	Status Q2
Mission Assistance Objective: Create A More Competitive Market Economy							
IR 1.1: Business Enabling Environment Improved	Decrease in the "Burden of Government Regulations" addressing Government Inefficiency	Numeric Value	WEF GCI Reports	Annual	2011: 2.34	Yr 1: 2.34 Yr 2: 2.34 Yr 3: 2.44 Yr 4: 2.57 Yr 5 : 2.71	2.3 by the WEF GCI published in September 2013
Sub-IR 1.1.1: More Effective Business Regulation	Decrease in costs for businesses to comply with regulatory framework	Numeric Value	Standard Cost Modeling (SCM)	Annual	2011 Total Administrative Cost: RSD 124.6 billion (4.2% of GDP)	Yr3: Total Administrative cost decreased by RSD 4 billion plus inflation (3.2% reduction) Yr5: Total Administrative burden decreased cumulatively by RSD 10 billion plus inflation (8% reduction plus inflation)	3.6
IR 1.4: Macroeconomic Environment Improved	Increase in Foreign Direct Investment	Numeric Value	National Bank of Serbia (NBS)	Annual	2010: 3.07% GDP	Yr1: FDI at 3.3% of GDP Yr2: FDI at 3.3% of GDP Yr3: FDI at 4% of GDP Yr4: FDI at 5% of GDP Yr 5: FDI at 6% of GDP	Net FDI / GDP for 2013 = 2 % MoF Table on Basic macroeconomic indicators, updated March 20, 2013

Sub-IR 1.4.1: Improved Fiscal Policy	Improvements in the Open Budget Index ("OBI") Score as reported by the International Budget Partnership	Numeric Value	OBI Survey	Bi-Annual	2010: 54	Yr 1: N/A Yr 2: N/A Yr 3: OBI score 54 Yr 4: N/A Yr 5: OBI score 57	2012: 39 Reason for this score: No longer producing a Pre-Budget Statement, and publishes a less comprehensive Executive's Budget Proposal.
	Improved Government Budget Balance as percentage of GDP	Numeric Value	MoF	Annual	2010: -4.4 % (actual fiscal deficit)	Yr1: -4.5% of GDP Yr2: -4.5% of GDP Yr3: -3.5% of GDP ² Yr4: -1.9% of GDP Yr5: -1.0 % of GDP	-6 % of GDP -2013-estimated by MoF
Sub-IR 1.4.2: Financial Markets Developed	Improved score in WEF GCI "Financial Market Development" (formerly 'Sophistication') The VIII WEF GCI Pillar	Numeric Value	WEF GCI reports	Annual	2011: 3.74	Yr1: 3.74 Yr2: 3.80 Yr3: 3.84 Yr4: 3.88 Yr5: 3.92	3.5 by the new WEF GCI published in September 2013 (WEF 2013/14)
	Credit to private sector as a percentage of GDP	Numeric Value	National Bank of Serbia (NBS)	Annual	2010: 40%	Yr 5: 60%	2012: 54% No official GDP for 2013 yet
	Number of person hours of training of journalists from publications that cover business	Numeric Value	Project Report	Annual	N/A	Yr 1: 400 Yr.2: 800 Yr 3: 800 Yr 4: 800 Yr 5: 400	75
Component 1: Business Regulation and Economic Governance Improved							

² Projected deficits by Fiscal council for 2013, 2014, 2015

1. Improve and streamline business regulation lowering the costs to businesses and government from business regulations	Number of commercial laws and regulations simplified and implemented in accordance with international standards as a result of USG assistance	Numeric Value	Project Reports	Annual	2011: 3	2011: 3 2012: 10 2013: 10 2014: 10 2015: 10 2016: 3 ³	1 bylaw
	Average time spent by management on working with inspections	Numeric Value	Business Survey ⁴	Annual	59 hours	Yr. 2: 58 Yr. 3: 55 Yr. 4: 50 Yr. 5: 45	Yr3: 17 hours
	Number of Professional Enforcement Officers trained, passed the exam, and ready to get appointed	Numeric Value	MoJ Data	Annual	N/A	Yr 2: 300	Activity completed successfully.
	Number of days to enforce a judgment	Numeric Value	World Bank Doing Business Report	Annual	2011: 635	Yr 3: 530 Yr 4: 475 Yr 5: 417	By WB DB Report published in October 2012 Serbian result is 635 days
	Number of days dealing with constructions permits	Numeric Value	World Bank Doing Business Report	Annual	2011: 279	Yr 5: 220	By WB DB Report published in October 2012 Serbian result is 269 days

³ Project will end 3 months into the 2016 fiscal year.

⁴ This refers to the annual BEP Survey of Serbian Businesses.

	Business perception of the burden of laws and regulations improves	Qualitative	Business Survey	Annual	2011: 17% agree that there was improvement	Yr. 2: 18% Yr. 3: 20% Yr. 4: 24% Yr. 5: 28%	Yr3: 36.7% agree that there was improvement
	Significant progress of realization of new labor legislation recommended by the 2011 White Book by the Foreign Investors Council in Serbia	Qualitative	Foreign Investors Council in Serbia	Annual	N/A	Yr.2: 1 Yr 3: 2 Yr.4: 6 Yr 5: 6	No significant changes to the status of the recommendations in the White Book 2013
	Decrease in percentage of businesses responding that labor law has negative impact on business	Qualitative	Business Survey	Annual	2011: 75%	Yr. 3: 65% Yr. 5: 55%	Yr3: 78.4%
2.Business effectively partners with Government in developing and implementing regulatory reforms	Increase in business sector participation on laws improving regulatory environment	Qualitative	Business Survey	Annual	2011: 19% of businesses agree that there was improvement	Yr 2 : 21% Yr. 3: 25% Yr. 4: 28% Yr. 5: 32%	Yr3: 36,6%
	Number of public private dialogue mechanisms/ events on business regulation issues created by the project	Numeric Value	Project Reports	Annual	N/A	Yr1: 3 Yr2: 5 Yr3: 5 Yr4: 5 Yr5: 2	7

3. Improve and support the regulatory review process and RIA process	Number of substantial RIAs conducted by GoS	Numeric Value	Project Reports/ Office of Regulatory Reform Reports	Quarterly	2010: 8	Yr 1: 10 Yr 2: 15 Yr 3: 20 Yr 4: 25 Yr 5: 30	Activity completed
	Business perception of transparency and predictability increases	Qualitative	Business Survey	Annual	2010: 23% agree that transparency and predictability increased	Yr. 2: 25% Yr. 3: 28% Yr. 4: 32% Yr. 5: 35%	Yr3:45,1%
5. Improve corporate governance standards, policies and regulations	Improvement in Doing Business Strength of Investor protection Index	Qualitative	World Bank Doing Business	Annual	2011: 5.3	2012: 5.3; 2013: 6; 2014: 6.5; 2015: 7	By WB DB Report published in October 2013 Serbia has a score of 5.3
	Number of Commercial Court judges trained in implementation of the Company Law	Numeric Value	Project Reports	Quarterly	N/A	Yr 1: 20	We don't have a target for Year 3
6. Create enabling environment for PPPs	Number of training hours of representatives of public sector entities and private companies trained in PPP	Numeric Value	Project Reports	Annual	N/A	Yr.2.: 200 Yr 3.: 200	Activity completed

	Completion of regulatory framework (bylaws and methodologies) for PPP	Qualitative	Project records	Annual	Nonexistence of complete normative framework (bylaws and methodologies) for PPP	Yr2.: 0 Yr..3: Complete normative framework (bylaws and methodologies) for PPP (specifically 1-Methodological materials in the field of public-private partnerships and concessions; 2-Bylaw on public contracts registry; 3-Bylaw on Supervision over Implementation of Public Contracts	Activity completed
Component 2: Macroeconomic Policy and Public Financial Management Enhanced							
1. Improve GoS budgeting, fiscal policy analysis, and financial management efficiency	Improvement in the quality of Medium Term Budgeting and Prioritization	Qualitative	Project Reports	Annual	No effective budgeting framework is in place	Yr 1: Fiscal Strategy Report (FSR) contains estimates of potential GDP Yr2: FSR contains estimates of structural deficit Yr3: FSR contains estimates on tax expenditures Yr 4: Budgets among ministries better reflect their strategic priorities.	FSR contains estimates of structural deficit
	PEFA Multi- Year Score perspective in fiscal planning , expenditure policy and budgeting	Qualitative	PEFA Assessment (due Nov 2013)	Annual/ Results published every 3 years	2010: Scored C	Yr 5: Score B	The 2013 PEFA Assessment scheduled for November 2013. – Delayed
	PEFA Assessment Score on predictability in the availability of funds for government expenditures	Qualitative	PEFA Assessment (due Nov 2013)	Annual/ Results published every 3 years	2010: Scored C+	Yr 5: Score B	The 2013 PEFA Assessment scheduled for November 2013.- Delayed
	Number of articles published in the area of fiscal policy	Numeric Value	Project Report	Monthly	N/A	Yr 1: 2 Yr 2: 3 Yr 3: 3	No more activities planned for this indicator

	containing research and analysis provided through BEP assistance that support changes in fiscal policy					Yr 4: 2 Yr 5: 2	
	Number of activities related to macroeconomic and fiscal issues aimed at improving public-private dialogue ⁵	Numeric Value	Project Report	Annual	N/A	Yr 1: 2 Yr 2: 3 Yr 3: 4 Yr 4: 4 Yr 5: 3	0
2. Improve public debt management and conditions for Government financing	Value of dinar denominated debt	Numeric Value	PDA (Public Debt Administration)	Annual	2010: Value of dinar debt is 14% of total borrowing	Yr 5: Proportion of borrowing increases to 20%	April 2014: 20,8%
	Government initiates a public issue of debt to more diversified investor base	Qualitative	PDA (Public Debt Administration) ad hoc report	Annual	Baseline end of March 2011 according to PDA: Banks own 87,1% on 31.03.2011	Yr 5: Banks own 75% or less of government debt in dinars	53.6%
	Operational status of debt management system and number of reports developed to manage debt risks and strategy	Numeric Value	PDA (Public Debt Administration) ad hoc report	Annual	N/A	Yr 1: 0 reports (system not functional); Yr 2: 2 reports(system operational); Yr 3: 6 reports; Yr 4: 8 reports; Yr 5: 10 reports.	2

⁵ The new indicator “Number of activities related to macroeconomic and fiscal issues aimed at improving public-private dialogue” replaces the indicator “Quality of public dialogue and debate on macroeconomic and fiscal issues.” The new indicator is a more objective and attributable measurement of the project’s work to achieve this Objective.

	Proportion of key PDA staff trained in debt management, economic and risk analysis	Numeric Value	Project records	Annual	N/A	Yr 1: 10% Yr 3: 50% Yr 5: 75%	Activity completed
3. Improve macroeconomic policy and strategy	Improvements in WEF GCI on "Macroeconomic Environment" addressing Nation's Savings Rate, as % of GDP	Numeric value	WEF GCI reports	Annual	2011: 14.8	Yr 5: 18	8.0 by the new WEF GCI published in September 2013
	Number of published studies and articles containing research and analysis provided through BEP assistance that support changes in macroeconomic policy	Numeric Value	Project Report	Annual	N/A	Yr1: 2 Yr2: 5 Yr3: 8 Yr4: 8 Yr5: 6	1 (Fiscal multipliers)
	Awareness of Government's Economic Growth Strategy	Qualitative	Business Survey	Annual	2011: 20% of businesses agreed that they have some awareness and understanding of the strategy	Yr. 2: 20% Yr. 3: 25% Yr. 4: 30% Yr. 5: 35%	Yr3: 49,9%
	Number of person hours of training of GoS staff on macroeconomic policy and public financial	Numeric Value	Project Reports	Annual	N/A	Yr1: 500 Yr2: 1000 Yr3: 1000 Yr4: 750 Yr5: 300	745

	management topics						
Component 3: Increased Financial Market Development							
1.Increase capital available to business through the creation of a regulatory framework for NBFIs	Value of credit financed from NBFIs to businesses increases	Numeric	NBS Publications, Stock Market, and Securities Commission Reports	Annual	EUR 1.388 bn	Yr.1: 0 Yr.2: 0 Yr.3: 5% Yr.4: 10% Yr.5: 10%	0
	Status of the legal and market framework for a commodities exchange	Qualitative	Project Report/MoF Report	Annual	Regulatory framework currently not in place	Yr 2: Commodities exchange law and regulatory framework established Yr 3 : Establishment of the commodities exchange	Draft Law being discussed with stakeholders
2.Strengthen integrity of the capital markets by helping the GoS to build capacity to ensure equity issuers and brokers comply with securities laws	Number of intermediaries trained and advised about upcoming securities laws	Quantitative	Securities Commission and Project Report	Annual	Majority of intermediaries trained and advised	Yr 1 to Yr 4: Will depend on the speed of implementation of new law and agreement with Securities Commission and MoF Yr5: 75% of intermediaries trained and advised on changes and benefits brought by new securities laws	Activity completed

3. Improve the GoS' access to finance through the development of long term, liquid debt public market	Value of dinar denominated debt	Numeric Value	Statistics Office	Annual	2010: Value of dinar debt is 14% of total borrowing	Yr 5: Proportion of borrowing increases to 20%	2013: 18.7%
	Government initiates a public issue of debt to more diversified investor base	Qualitative	PDA (Public Debt Administration) ad hoc report	Annual	Baseline end of March 2011: Banks own 87,1% of debt (3/31/11)	Yr 5: Banks own 75% or less of government debt in dinars	2013: 53.6%
4. Strengthened public-private dialogue on the financial sector and its role in economic development	Increased awareness of the role of the financial sector in economic development	Qualitative	Project Survey (a.k.a. BEP Business Survey)	Annual	Around 25% of businesses expressed a sort of an agreement that there is awareness	Yr 5: 50% increase in awareness	2013: 88.3%
5. Strengthen the disclosure and transparency supporting new investment by assisting the GoS to implement required accounting, audit and	Compliance with IOSCO standards in areas of securities intermediaries and equity issuance improves	Qualitative/ Numeric Value	Project and IOSCO Reports	Bi-Annual	50%	Yr 5: Compliance improves to 60% or better	New Capital Market Law Regulations is expected to raise compliance level above 60%. Next IOSCO assessment in 2015.

disclosure standards							
6. Improved access to finance for SMEs	Improved access to finance	Qualitative	Business Survey	Annual	2011: 25% of businesses agree that access to finance has improved	Yr. 3: 30% Yr. 5: 35%	Yr3:35.5%
	Increase in average value of loan size and borrowing by SME's ⁶	Qualitative/ numeric	Project Survey (BEP Business Survey)	Annual	2011: 89,475 EUR	Yr.2.: 0 % points increase from baseline Yr.3.: 10 % point increase Yr.4.: 15 % point increase Yr.5.: 20 % point increase	2013: 67,695 EUR

ATTACHMENT 5: BEP GRANTS UPDATE

BEP GRANTS UPDATE

30 June-14

Solicitation	Date of Issue	Project	Grantee	Amount USD	Amount RSD	Status
unsolicited proposal		Quarterly Monitor 24	FREN - Foundation for the Advancement of Economics	28,417	2,099,993	paid
unsolicited proposal		Business Leaders' Summit	SAM - Serbian Association of Managers	-	-	rejected
TOTAL				28,417	2,099,993	
RFA		Project	Grantee	Amount USD	Amount RSD	Status
RFA-2011-01	15-Jun-11	Business Survey	CeSID - Center for Free Elections and Democracy	18,502	1,401,600	paid
RFA-2011-01		Business Survey	GfK Belgrade	-	-	rejected
RFA-2011-01		Business Survey	Cromer Group	-	-	rejected
RFA-2011-02	15-Jul-11	Quasi Fiscal Charges	NALED - National Alliance for Local Economic Development	18,000	1,400,000	paid
RFA-2011-02		Quasi Fiscal Charges	BDO Business Advisory	-	-	rejected
RFA-2011-03	25-Jul-11	Econometric Assistance	FREN - Foundation for the Advancement of	36,300	2,828,300	paid

			Economics			
RFA-2011-04	20-Sep-11	Construction Permits	MP and Associates	20,700	1,614,000	paid
RFA-2011-04		Construction Permits	ACES - Association of Consulting Engineers of Serbia	-	-	rejected
RFA-2011-04		Construction Permits	City of Novi Sad	-	-	rejected
RFA-2011-04		Construction Permits	EC Harris d.o.o	-	-	rejected
RFA-2011-05	30-Sep-11	Journalist Education	CLDS - Center for Liberal Democratic Studies	15,000	1,175,000	paid
RFA-2011-05		Journalist Education	BIG - Business Info Group d.o.o.	-	-	rejected
RFA-2011-05		Journalist Education	BIRN - Balkan Investigative Network in Serbia	-	-	rejected
RFA-2011-06	5-Oct-11	Private Domestic Savings	CLDS - Center for Liberal Democratic Studies	-	-	withdrawn
RFA-2011-07	12-Dec-11	Training of Judges on Company Law	Balkan Center for Regulatory Reform (BCRR)	21,000	1,675,000	paid (modification 1)
RFA-2011-06-R	27-Dec-11	Private Domestic Savings	-	23,000	1,850,000	No applications were submitted
RFA-2011-06-R2	16-Jan-12	Private Domestic Savings	Foundation for the Advancement of Economics (FREN)	-	-	rejected
RFA-2011-06-R2	16-Jan-12	Private Domestic Savings	BDO Business Advisory LLC	-	-	rejected
RFA-2011-06-R2	16-Jan-12	Private Domestic Savings	CLDS - Center for Liberal Democratic Studies	22,230	1,840,000	paid
RFA-2011-01-F	Follow-on	Business Survey Follow-up Data Analysis	CeSID - Center for Free Elections and Democracy	4,513	370,000	paid
RFA-2012-01	14-Feb-12	Organization of the Forum on Capital	Beolmpigra, Ltd.	-	-	rejected

		Market in Serbia				
RFA-2012-01	14-Feb-12	Organization of the Forum on Capital Market in Serbia	AVENTo d.o.o	-	-	rejected
RFA-2012-01	14-Feb-12	Organization of the Forum on Capital Market in Serbia	EDGE Ltd. Belgrade	-	-	rejected
RFA-2012-01	14-Feb-12	Organization of the Forum on Capital Market in Serbia	BLUEWATERS YU d.o.o.	-	-	rejected
RFA-2012-01	14-Feb-12	Organization of the Forum on Capital Market in Serbia	Represent Communications	-	-	rejected
RFA-2012-01	14-Feb-12	Organization of the Forum on Capital Market in Serbia	Chapter 4 Communications Consulting	19,980	1,697,180	paid
RFA-2012-02	28-March-12	Study and recommendations on policies to increase employment and workforce competitiveness	Center for Liberal – Democratic Studies	-	-	paid
RFA-2012-02	28-March-12	Study and recommendations on policies to increase employment and workforce	Faculty of Economics, Finance and Administration, Singidunum University	-	-	rejected

		competitiveness	(FEFA)			
RFA-2012-02	28-March-12	Study and recommendations on policies to increase employment and workforce competitiveness	Joksovic, Stojanovic & Partners Law Office	-	-	rejected
RFA-2012-02	28-March-12	Study and recommendations on policies to increase employment and workforce competitiveness	Foundation for the Advancement of Economics (FREN)	-	-	rejected
RFA-2012-03	18-Apr-12	Project of Creating and Executing PR/Outreach Campaign	Bluewaters YU LLC	-	-	rejected
RFA-2012-03	18-Apr-12	Project of Creating and Executing PR/Outreach	Kovacic&Spaic	-	-	rejected
RFA-2012-03	18-Apr-12	Project of Creating and Executing PR/Outreach	Represent Communications		84,342	Paid (modification 1 and 2)
RFA-2012-03	18-Apr-12	Project of Creating and Executing	Chapter 4 Communications	-	-	rejected

		PR/Outreach	Consulting			
RFA-2012-03	18-Apr-12	Project of Creating and Executing PR/Outreach	Executive Group d.o.o. Beograd	-	-	rejected
RFA-2012-03	18-Apr-12	Project of Creating and Executing PR/Outreach	Conference Republic d.o.o.	-	-	rejected
RFA-2012-03	18-Apr-12	Project of Creating and Executing PR/Outreach	Cromer Group Ltd.	-	-	rejected
RFA-2012-03	18-Apr-12	Project of Creating and Executing PR/Outreach	MC 2 Public Affairs (Milosevic Creative Communications)	-	-	rejected
RFA-2012-04	26-Apr-12	Strengthening Regulation, Management, and Effectiveness of State Aid in Economic Sphere	BDO Business Advisory LLC	4,600,000	47,998	Terminated (modification 1)
RFA-2012-04	26-Apr-12	Strengthening Regulation, Management, and Effectiveness of State Aid in Economic Sphere	CLDS	-	-	rejected
RFA-2012-05	11-May-12	Economic Policy Measures to Combat	BDO Business Advisory LLC	-	-	rejected

		Shadow Economy and its Effects on Total Economic Growth in Serbia				
RFA-2012-05	11-May-12	Economic Policy Measures to Combat Shadow Economy and its Effects on Total Economic Growth in Serbia	Foundation for the Advancement of Economics (FREN)		79,830	paid (modification 1)
SSS-2012-01	6-Jul-12	2012 Business Survey in Serbia	CESID d.o.o.		25,825	paid
RFA-2011-04-F/2012	3-Aug-12	Assessment of Constraints to Construction Permits in Serbia - follow on	MP and Associates		16,850	paid
RFA-2012-06	4 September 2012	Internships in National Governmental Institutions in RS	Faculty of Economics, Finance and Administration, Singidunum University (FEFA)	-	-	rejected
RFA-2012-06	4 September 2012	Internships in National Governmental Institutions in RS	Consulting Company ConsulTeam Ltd. Belgrade	-	-	rejected

RFA-2012-06	4 September 2012	Internships in National Governmental Institutions in RS	NIP Obrazovniinformator d.o.o. (Educational Informer)	-	-	rejected
RFA-2012-06	4 September 2012	Internships in National Governmental Institutions in RS	Adizes Business Consulting, d.o.o.	-	-	rejected
RFA-2012-06	4 September 2012	Internships in National Governmental Institutions in RS	Belgrade Open School (BOS)		89,970	contracted
RFA-2012-06	4 September 2012	Internships in National Governmental Institutions in RS	Cromer Group LLC	-	-	rejected
RFP-2012-01	8 October 2012	Development of web-based inventory of spatial and urban planning documents	Team Net World Professional Services	-	54,500	rejected
RFP-2012-01	8 October 2012	Development of web-based inventory of spatial and urban planning documents	Omnicom Solutions d.o.o.	-	47,800	rejected
RFP-2012-02	19 November 2012	Document Management System and Public Register	PSTech d.o.o.		120,000	rejected

RFP-2012-02	19 November 2012	Document Management System and Public Register	TEAMNET World Professional Services		99,948	Contracted
RFP-2012-02	19 November 2012	Document Management System and Public Register	SAGA d.o.o.		115,000	rejected
RFA-2012-07	21 November 2012	Management Training for Public Officers Working in Governmental Institutions in the Republic of Serbia	Audit And Consulting Company "Deloitte", Ltd., Belgrade		29,920	rejected
RFA-2012-07	21 November 2012	Management Training for Public Officers Working in Governmental Institutions in the Republic of Serbia	Singidunum University – Faculty of Economics, Finance and Administration		29,765	rejected
RFA-2012-07	21 November 2012	Management Training for Public Officers Working in Governmental Institutions in the Republic of Serbia	Adizes South East Europe		28,890	rejected
RFA-2012-07	21 November 2012	Management Training for Public Officers Working in Governmental	Serbian Management Centre Ltd		29,810	Contracted

		Institutions in the Republic of Serbia				
RFA-2012-07	21 November 2012	Management Training for Public Officers Working in Governmental Institutions in the Republic of Serbia	Fenix Human Resources Ltd.		29,855	rejected
RFA-2012-07	21 November 2012	Management Training for Public Officers Working in Governmental Institutions in the Republic of Serbia	CEFE Serbia		29,670	rejected
RFA-2012-07	21 November 2012	Management Training for Public Officers Working in Governmental Institutions in the Republic of Serbia	Center for Project Management - CPM		29,450	rejected
RFA-2012-07	21 November 2012	Management Training for Public Officers Working in Governmental Institutions in the Republic of Serbia	Cromer Group Ltd		29,560	rejected
RFA-2013-01	6 February 2013	Developing an Alternative Legal	Center for Liberal Democratic Studies in		39,970	rejected

		Framework for Improving Construction Permits in Serbia	consortium with Zivkovic and Samardzic			
RFA-2013-01	6 February 2013	Developing an Alternative Legal Framework for Improving Construction Permits in Serbia	EU Bild do.o		38,500	rejected
RFA-2013-01	6 February 2013	Developing an Alternative Legal Framework for Improving Construction Permits in Serbia	MP&Associatesd.o.o. in consortium with Pro energod.o.o.		38,150	rejected
RFA-2013-01/R	15 March 2013	Developing an Alternative Legal Framework for Improving Construction Permits in Serbia	EU Bild do.o		48,500	rejected
RFA-2013-01/R	15 March 2013	Developing an Alternative Legal Framework for Improving Construction Permits in Serbia	MP&Associatesd.o.o. in consortium with Pro energod.o.o.		48,400	contracted

RFA-2013-01/R	15 March 2013	Developing an Alternative Legal Framework for Improving Construction Permits in Serbia	Initiative for integrations – IFI		36,070	rejected
RFA-2013-02	5 June 2013	Business Survey in Serbia	TNS Medium Gallup		19,755	Rejected
RFA-2013-02	5 June 2013	Business Survey in Serbia	GfK Belgrade		19,500	Rejected
RFA-2013-02	5 June 2013	Business Survey in Serbia	IPSOS Strategic Marketing		25,021	Paid
RFA-2013-02	5 June 2013	Business Survey in Serbia	Serbian Association of Managers in partnership with MASMI		27,500	Rejected
RFA-2013-02	5 June 2013	Business Survey in Serbia	CeSID d.o.o.		22,925	Rejected
RFA-2013-03	30 July 2013	Para-fiscal charges: Evaluation of results and support for continuation of reforms	National Alliance for Local Economic Development (NALED)		40,000	Contracted

RFA-2013-03	30 July 2013	Para-fiscal charges: Evaluation of results and support for continuation of reforms	Foundation for the Advancement of Economics (FREN)		37,920	Rejected
RFP-2012-01/R	16 August 2013	Development of web-based inventory of spatial and urban planning documents	PSTech d.o.o.		39,050	Rejected
RFP-2012-01/R	16 August 2013	Development of web-based inventory of spatial and urban planning documents	OSA Racunarski inzenjering d.o.o.		53,145.50	Contracted
RFP-2012-07-F	Submitted 17-Nov-13	Management Training for public officers working in Government Institutions" Follow On	Serbian Management Centre		44,550	Rejected
RFP-2012-06-F	Submitted 19-Nov-13	"Better Public Administration through Internship Placements" Follow On	Belgrade Open School (BOS)		87,620	Contracted
RFP-2012-07-F	Submitted 5-Dec-13	Management Training for public officers working in Government	Serbian Management Centre		22,800	Contracted

		Institutions” Follow On				
RFA-2014-01	29-Jan-14	The Role of Good Accounting in Access to Finance	GM Konsalting od		23,000	Rejected
RFA-2014-01	29-Jan-14	The Role of Good Accounting in Access to Finance	ABF Edukacija i konsalting d.o.o. Beograd		22,985	Contracted
RFA-2014-01	29-Jan-14	The Role of Good Accounting in Access to Finance	Academica		22,848	Rejected
RFA-2014-01	29-Jan-14	The Role of Good Accounting in Access to Finance	Consulting company WM Equity Partners Ltd		22,718	Rejected
RFA-2014-01	29-Jan-14	The Role of Good Accounting in Access to Finance	DNA Communications d.o.o.		22,815	Rejected
RFA-2014-01	29-Jan-14	The Role of Good Accounting in Access to Finance	V+O Communications Ltd.		22,929	Rejected
RFA-2014-02	16 May 2014	Business Survey in Serbia 2014	GfK		18,978	Rejected
RFA-2014-02	16 May	Business Survey in	Ipsos Strategic Marketing		19,991	Contracted

	2014	Serbia 2014				
RFA-2014-02	16 May 2014	Business Survey in Serbia 2014	Medium Gallup		17,631	Rejected
RFA-2014-02	16 May 2014	Business Survey in Serbia 2014	CeSID		16,615	Rejected
RFA-2014-03	27 May 2014	Development of Business Web Portal	Omnicom Solutions d.o.o. Beograd		28,620	Pending
RFA-2014-03	27 May 2014	Development of Business Web Portal	E-Smart Systems		29,972	Pending
RFA-2014-03	27 May 2014	Development of Business Web Portal	DUBES Company for Trade, Manufacturing and Services Ltd. Belgrade		30,000	Pending
RFA-2014-03	27 May 2014	Development of Business Web Portal	COMTRADE IT SOLUTIONS & SERVICES d.o.o.		29,517	Pending
RFA-2014-03	27 May 2014	Development of Business Web Portal	POWER SYMBOL TECHNOLOGY D.O.O.		23,200	Pending

EXPRESSION OF INTEREST TITLE	APPLICANT	Amount RSD	Amount USD	Status	GSC Meeting
Economic Growth Model	Center for Liberal-Democratic Studies (CLDS)	0	0	Rejected	
Commodity Exchange at Agricultural Forum - Food for Europe	Economics Institute	389,640	5,000	PAID	9/26/2011
Economics Training for Students of Journalism	Association CIVILNET	0	0	Rejected	9/26/2011
Guide for preparation of the Plan of Reorganization (PR) in accordance with Bankruptcy Law	BDO Business Advisory	0	0	Rejected	9/26/2011
Guide for the preparation of the Prepackaged Plan of Reorganization (PPR) in accordance with Bankruptcy Law	BDO Business Advisory	0	0	Rejected	9/26/2011
Development of Corporate Bonds Market in Serbia	Chamber of Commerce and Industry of Serbia	0	0	Rejected	9/26/2011
Fiscal Rules as a Fiscal Responsibility Tool	Center for Liberal-Democratic Studies (CLDS)	0	0	Withdrawn	9/26/2011
MAT for Better Business Conditions	Economics Institute	810,600	10,300	PAID	11/4/2011
Belgrade Stock Exchange 10th International Conference	Belgrade Stock Exchange	300,000	3,800	PAID	11/4/2011
Public Administration Training to improve administrative capacity	Singidunum University - Faculty of Economics, Finance and Administration (FEFA)	0	0	Rejected	11/4/2011
Adjusting the Codex of Corporate Management of the SCCI with the new Company Law	Chamber of Commerce and Industry of Serbia	950,000	12,100	PAID	11/4/2011
Annual Seminar - Economic Potentials and Business Development Prospects	Belgrade Fund for Political Excellence (BFPE)	1,000,000	12,700	PAID	11/4/2011
Alumni Seminar - Improving Conditions for Doing Business in Serbia	Belgrade Fund for Political Excellence (BFPE)	1,100,000	14,000	PAID	11/4/2011
Including Serbia into the World Competitiveness Yearbook	Institute of Economic Sciences	0	0	Rejected	11/4/2011
Quarterly Monitor: Macroeconomic and Business Climate	Foundation for the	3,066,000	39,000	PAID	12/8/2011

Issues of Serbian Economy	Advancement of Economics (FREN)				
Improving Competitiveness of Trade Companies	Serbian Association of Employers	0	0	Rejected	11/29/2011
Managers' Hours	Serbian Association of Managers	1,297,280	16,300	PAID	12/8/2011
Enforcement of the Law on Capital Markets	Center For Advanced Economic Studies	0	0	Rejected	12/8/2011
Export-Oriented Recovery	Center For Advanced Economic Studies	0	0	Rejected	1/12/2012
Practice of Corporate Finance in Serbia	Chamber of Commerce and Industry of Serbia	0	0	Rejected	12/8/2011
Reform of Financial System and Protection of Intellectual Property Rights in Serbia	ACADEMICA Center for Creative Economy Research	0	0	Rejected	1/12/2012
Supermarket	CEFE Serbia	0	0	Rejected	12/8/2011
Strengthening Communications Skills Training	Represent Communications	0	0	Rejected	12/8/2011
Towards business-friendly environment for development of creative industries in Serbia	Serbian Financial and Business Consultants (SFBC)	0	0	Rejected	1/12/2012
Policy Advocacy Activities	Association of Management Consultants of Serbia	0	0	Rejected	12/8/2011
Grey Book of Doing Business in Pancevo	City of Pancevo Economic Development Agency	0	0	Rejected	12/8/2011
Macroeconomic Analyses and Trends (MAT) - for Better Business Conditions (eight issues)	Economics Institute	2,400,000	28,015	Rejected	4/24/12
Round tables "For better Business Conditions"	Economics Institute	3,000,000	35,000	PAID (Modification1)	4/24/12
Practice of Corporate Finance in Serbia	Chamber of Commerce and Industry of Serbia	0	0	rejected	4/24/12

Citizens' Budget Guide	BIRN	2,420,000	28,131	PAID (Modification 1 Modification 2)	4/24/12
"Quarterly Monitor: Institutional Challenges to Boosting Employment, Growth and Public Sector Efficiency in Serbia"	Foundation for the Advancement of Economics (FREN)	2,900,000	33,971	PAID (Modification 1)	4/24/12
Benchmarking 2016 – Comprehensive Monitoring of Doing Business Environment in the Republic of Serbia	NALED - National Alliance for Local Economic Development	5,422,950	63,525	PAID (Modification 1)	4/24/12
Ask When! - Advocacy Campaign for Improving of Doing Business Environment in the Republic of Serbia	NALED - National Alliance for Local Economic Development	2,328,500	24,998	PAID (Modification 1)	5/29/12
Steinberg Capital&Publishing&Production Ltd	Grant for development of Financial Markets	0	0	rejected	4/24/12
Government - Business Dialogue	Bluewaters YU LLC	0	0	rejected	5/18/12
Developing Methodology for Improving Local Incentives to Support Local Economic Development and Improvement of Business Environment in Serbia	RARIS - Regional Development Agency Eastern Serbia	0	0	rejected	5/18/12
Internet Radio Station	The First Entrepreneur Association	0	0	rejected	6/14/12
Press Retreat and Financial Market Workshop	Chapter 4 Communications Consulting	0	0	rejected	6/29/12
Accelerated Development of the Leasing Industry in Serbia	Association of Leasing Companies "ALCS" Belgrade	3,000,000	32,545	rejected	6/29/12

Municipal bonds – A way to a sustainable local economic development	Bluewaters YU LLC	2,300,000	23,782	rejected	9/13/2012
Conference 100 Days of Government	American Chamber of Commerce in Serbia	1,812,500	19,215	rejected	9/13/2012
Conference: Improving Conditions for Doing Business in Serbia	Belgrade Fund for Political Excellence	1,627,460	18,000	rejected	9/13/2012
Strengthening the Voice of Managers	Serbian Association of Managers	2,375,000	25,986	rejected	9/13/2012
Development of regulatory frameworks and mechanisms of alternative financing for SMEs in Serbia	EDGE Ltd Beograd	2,000,000	21,886	rejected	9/13/2012
Innovated model banking services to Serbian legal entities and agriculture during process of society transition, sanitation of banking and finance sector and state recover after last world wide economy crises (2013-2025).	MEJA LTD, BELGRADE	3,000,000	33,700	rejected	10/11/2012
Annual Seminar (Module 2): Economic Potentials and Business Development Prospects in Serbia by 2020	Belgrade Fund for Political Excellence	2,176,070	24,500	rejected	10/11/2012
Improving competitiveness of Serbian economy through development of the system of Institutional Financial Restructuring (IFR Project)	Chamber of Commerce	2,535,075	28,233	rejected	10/11/2012
Strengthening the Voice of Managers	Serbian Association of Managers	1,150,000	12,960	contracted	10/11/2012
Conference 100 Days of Government	American Chamber of Commerce in Serbia	1,874,300	21,343	PAID (Modification 1 and	10/11/2012

				2)	
Policy Measures to Enhance Serbian Exports	Faculty of Economics, Finance and Administration, Singidunum University (FEFA)	3,530,000	39,831	rejected	10/11/2012
Monetary and Fiscal Model for the Government of Serbia, Supporting Tool in Monetary, Fiscal and Trade Policy Making	Belox Advisory Services Ltd.	11,500,000	131,034	rejected	01/24/2013
Better Treatment for More Investments in Serbia	OPTIMUS - Center for Good Governance	2,979,756	33,708	rejected	01/24/2013
Building Project Management Awareness in Government of Serbia	PMI Serbia Chapter	900,000	10,483	rejected	01/24/2013
Institutionalizing the Concept of Continuous Improvements within the Public Sector of the Republic of Serbia	Audit and Consulting Company "Deloitte", Ltd., Serbia	2,579,000	32,136	rejected	01/24/2013
Improve Macroeconomic Policy and Strategy - Impact of Cultural Heritage and Viticulture on Macroeconomic Development of Vojvodina and Republic of Serbia	Fruskogorski Vinogradi	3,000,000	34,945	rejected	01/24/2013
Preparing Serbia for Free Movement of Services	European Policy Centre	2,800,000	32,613	rejected	01/24/2013
Evaluation of Influence of the Project "Western Balkans Innovative Auto Region" on Macroeconomic Development of Sumadija Region	L&I Consulting	2,500,000	29,119	rejected	01/24/2013
Build Efficiently in Serbia Today (BEST- a Guide through Building Procedures)	Center for Architecture Belgrade	1,600,000	18,636	rejected	01/24/2013

Building Capacity of Government of Serbia (GoS) in Project Management, Communications Management and Leadership Area	4You doo Beograd	2,850,000	33,195	Rejected	01/24/2013
Improve the Environment for Development and Institutionalization of Clusters in Serbia	Cluster House	3,000,000	34,943	Rejected	01/24/2013
Bank Collaboration to Improve SME Access to Finance	Center for Advanced Economic Studies (CEVES)	2,500,000	29,119	contracted	01/24/2013
No name	Serbian Financial and Business Consultants –Creative Economy Group	2,780,000	32,380	Rejected	01/24/2013
Impact Serbia	CEFE Serbia	2,841,000	32,965	Rejected	01/24/2013
Forum 2013 - For better business conditions	Economics Institute	-	40,000	Grantee withdrew	4/26/13
Support for the implementation of QUEST_Serbia Macroeconomic Model, Monetary and Fiscal Model of the Government of Serbia	Belox Advisory Services Ltd.	-	40,000	Contracted	4/26/13
Panels „For better conditions for doing business“ within Business Info Group conferences – „Financing of Small and Medium Enterprises“ and „Governors and Bankers of the Region“	Business Info Group (BIG)	-	24,000	Paid	6/7/13
Practical Guide: How SME can acquire money in Serbia	AAP Consulting Ltd Belgrade	-	24,800	Rejected	6/7/13
Strengthening Communication Capacities of Project's Communicators	Represent Communications		32,320	Rejected	6/7/13

Bankruptcy - A Chance for a Fresh Start	Association for the promotion of Serbian economy "Timeline"		15,000	Paid	6/7/13
Business Heartbeat - Reform Advocates	NALED		100,000	Contracted	6/7/13
Standard Methodology for SMEs Project Appraisal	AAP Consulting Ltd Belgrade		34,000	Rejected	7/10/13
Strengthening support for inspections reform	Center for Democracy Foundation		28,000	Rejected	7/10/13
Improvement of competitiveness of tourism industry in south Serbia as part of European process through establishment of its reservation system	European Movement in Serbia		30,000	Rejected	9/11/2013
Empowering the SMEs - Family Business in Serbia	Chapter 4 Communications Consulting		36,000	Rejected	9/11/2013
Enabling business environment in waste recycling sector in Serbia	European Movement in Serbia		38,000	Rejected	9/11/2013
IFRS for SME education	Serbian Association of Accountants and Auditors		40,000	Rejected	9/11/2013
Support to SME associations in successful articulation and interests advocacy in relations with the commercial banks	DOOR Training and Consulting Serbia		33,000	Rejected	15-Oct-13
Credit risk guaranties: a viable Government policy as a remedy for long term external imbalances of Serbia	Safege LTD		40,000	Rejected	15-Oct-13
Executive Management Retreat	Serbian Management Center		9,800	Rejected	15-Oct-13

New Labor Law – The New Communication	Gistro Advertising doo		40,000	Paid	25-Oct-13
SME better access to finance through reducing Enterprise-side Constraints	GM Consulting		39,980	Rejected	22-Nov
Meet the Timok Region Entrepreneurs and SME	Regional Chamber of Economy Zajecar		35,552	Rejected	12-Dec-13
Promotion of Public Private Partnerships throughout Nišava, Pirot and Toplica Districts towards creation of business enabling environment in Southeast Serbia – 3Ps for enabling business growth in Southeast Serbia	CIM Group		39,200	Rejected	12-Dec-13
Facilitation of bottom-up communication between businesses, LSGs and GoS aimed at developing feasible and realistic regulatory framework for public-private partnerships in the priority sectors of agriculture, energy efficiency and waste management & recycling	Centre for Regional Politics		34,600	Rejected	12-Dec-13
Study on economic impacts and business barriers in film industry in Serbia	SFBConsultants –Creative Economy Group		27,500	Rejected	12-Dec-13
The Trade-offs of Policy Planning: Awareness Raising	Center for Advanced Economic Studies		12,000	Rejected	12-Dec-13

Advocacy for More Financial Restructuring and Financial Discipline in Serbia	Center for Advanced Economic Studies		17,500	Rejected	12-Dec-13
Finalization of the update version of Citizen's Budget Guide - follow on grant (APS-2012-01-5-F)	Balkan Investigative Reporting Network (BIRN)		8,782	Contracted	22-Nov-13
Support for the Ministry of Finance through Internship Placements	Belgrade Open School (BOS)		15,000	Contracted	11-April-14
Improving Access to Finance for SMEs and Entrepreneurs - Workshops across Serbia	Chapter 4		25,000	Rejected	30-May-14
Young Entrepreneurial Spirit (YES)	Green Table		19.200	Rejected	30-May-14
Media Support to Economic contribution to European-Atlantic integration processes	Green Table		15.800	Rejected	30-May-14
Improving communication between businesses and decision makers – Blue Chair	WB Consulting		19,800	Rejected	30-May-14
Global Positioning Strategy (GPS) of the Republic of Serbia – Opportunities and Challenges	CIVIS		20,720	Rejected	30-May-14
REIT - Real Estate Investment Trusts	AFAS		20,000	Ongoing	30-May-14

TOTAL REQUESTED		97,480,111	\$ 2,069,921		

OVERVIEW:

Total number of applications	95
Rejected / postponed/ withdrawn	69/-/2
Paid / Contracted / Approved	17/23/22
Pending / under negotiations /open	1/-/-

FINANCIAL STATUS OF CONTRACTED GRANTS

RFAs 2011, 2012, 2013

			RSD	USD	Status
Foundation for the Advancement of Economics - FREN	Quarterly Monitor 24	unsolicited proposal	2,099,993	28,417	Paid
CeSID	Business Survey	RFA-2011-01	1,401,600	18,502	Paid
CeSID	Business Survey Follow-up Data Analysis	RFA-2011-01-F	370,000	4,513	Paid
National Alliance for Local Economic Development - NALED	Assessment of Impact of Quasi-Fiscal Charges on Businesses in Serbia	RFA-2011-02	1,400,000	19,197	Paid
Foundation for the Advancement of Economics - FREN	Econometric Assistance	RFA-2011-03	2,828,300	37,870	Paid
MP and Associates	Assessment of Constraints to Construction Permits in Serbia	RFA-2011-04	1,614,000	20,550	Paid

Center for Liberal-Democratic Studies - CLDS	Project on Journalist Education on Economic and Business Environment Reforms	RFA-2011-05	1,175,000	14,290	Paid
Balkan Center for Regulatory Reform - BCRR	For Training of Commercial Court Judges on Implementation of the New Company Law	RFA-2011-07	1,675,000	20,630	Paid
Center for Liberal-Democratic Studies - CLDS	Study on Private Domestic Savings	RFA-2011-06-R2	1,840,000	22,230	Paid
Chapter 4 Communications Consulting	Organization of Capital Market Forum in Serbia	RFA-2012-01	1,697,180	19,980	Paid
Center for Liberal Democratic Studies	Policies to Increase Employment and Workforce Competitiveness	RFA-2012-02	2,987,000	34,052	Paid
Represent Communications	PR/Outreach Campaign	RFA-2012-03		84,342	Paid
BDO	Strengthening Regulation, Management, and Effectiveness of State Aid in Economic Sphere	RFA-2012-04	4,600,000	47,998	2/3 paid (Terminated)
Foundation for the Advancement of Economics (FREN)	Economic Policy Measures to Combat Shadow Economy and its Effects on Total Economic Growth in Serbia	RFA-2012-05		79,830	Paid
CESID d.o.o.	2012 Business Survey in Serbia	SSS-2012--01		25,825	Paid
MP and Associates	Assessment of Constraints to Construction Permits in Serbia - follow on	RFA-2011-04-F/2012		16,850	Paid
Belgrade Open School (BOS)	Better Public Administration through Internship Placements	RFA-2012-06		89,970	Paid

Serbian Management Centre Ltd	Management Training for Public Officers Working in Government Institutions in the Republic of Serbia	RFA-2012-07		29,810	Paid
MP and Associates	Development of an Alternative Legal Framework for Improving Construction Permits in Serbia	RFA-2013-01/R		49,400	4/7 paid
Ipsos Strategic Marketing	Business Survey in Serbia	RFA-2013-02		25,021	Paid
NALED	Para-Fiscal Charges - Evaluation of results and support for continuation of reforms	RFA-2013-03		40,000	3/4 paid
Belgrade Open School (BOS)	Better Public Administration through Internship Placements Follow on	RFA-2012-06-F		56,420	3/5 paid
Serbian Management Centre Ltd	Enhancing organizational effectiveness within key Governmental partner institutions in Serbia through Management Assistance Program	RFA-2012-07-F		22,800	2/4 paid
ABF Edukacija i konsalting d.o.o. Beograd	The Role of Good Accounting in Access to Finance	RFA-2014-01		22,985	2/6 paid
	Business Survey in Serbia 2014	RFA-2014-02			Contracted

Subtotal				831,482	
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APS 2011, 2012, 2013			RSD	USD	Status
Economics Institute	Agricultural Forum "Food for Europe"	APS-2011-01-1	389,640	5,043	Paid
Economics Institute	MAT - for Better Business Conditions	APS-2011-01-2	820,000	9,965	Paid
Belgrade Stock Exchange - BELEX	Belgrade Stock Exchange 10th International Conference	APS-2011-01-3	300,000	3,872	Paid
Foundation for the Advancement of Economics - FREN	Quarterly Monitor 25-26-27 : Macroeconomic and Business Climate Issues of Serbian Economy	APS-2011-01-4	3,066,000	39,574	Paid
Belgrade Fund for Political Excellence - BFPE	Alumni Seminar - Improving Conditions of Doing Business in Serbia	APS-2011-01-5	1,100,000	13,805	Paid
Belgrade Fund for Political Excellence - BFPE	Annual Seminar - Economic Potentials and Business Development Prospects	APS-2011-01-6	1,000,000	12,018	Paid
Chamber of Commerce and Industry of Serbia	Adjusting the Codex of Corporate Governance of the CCIS with the New Company Law	APS-2011-01-7	1,270,000	15,370	Paid
Serbian Association of Managers - SAM	Managers' Hours	APS-2011-01-8	1,297,280	15,770	Paid
Economics Institute	Round tables -For better business conditions	APS-2012-01-3	2,959,208	32,199	Paid (Modification 1)

National Alliance for Local Economic Development - NALED	Ask When! - Advocacy Campaign for Improving of Doing Business Environment in the Republic of Serbia	APS-2012-01-4	2,328,500	25,308	Paid (Modification 1)
Foundation for the Advancement of Economics - FREN	"Quarterly Monitor: Institutional Challenges to Boosting Employment, Growth and Public Sector Efficiency in Serbia"	APS-2012-01-2	2,648,319	28,328	Paid (Modification 1)
BIRN	Citizens' Budget Guide	APS-2012-01-5	2,513,906	27,682	Paid (Modification 1 Modification 2)
NALED - National Alliance for Local Economic Development	Benchmarking 2016 – Comprehensive Monitoring of Doing Business Environment in the Republic of Serbia	APS-2012-01-1	3,000,000	32,637	Paid (Modification 1)
American Chamber of Commerce in Serbia	"First Lap Time - 100 Days of Government" and Follow up	APS-2012-01-6		22,688	Paid (Modification 1 and 2)
Serbian Association of Managers - SAM	Strengthening the Voice of Managers	APS-2012-01-7		14,192	2/3 paid (Modifications 1 and 2)
Center for Advanced Economic Studies (CEVES)	SME Growth Opportunities and How Policies and Banks Miss Them	APS-2012-01-8		28,614	2/4 paid
Belox Advisory Services Ltd	Support for the implementation of QUEST_Serbia Macroeconomic	APS-2013-01-1		40,000	2/4 paid

	Model - Monetary and Fiscal Model of the Government of Serbia				
Association for the promotion of Serbian economy "Timeline"	Bankruptcy - a Chance for a Fresh Start	APS-2013-01-2		15,065	Paid
Business Info Group (BIG)	Financial Stability and Business Financing	APS-2013-01-3		9,580	Paid
National Alliance for Local Economic Development - NALED	Business Heartbeat - Reform Advocates	APS-2013-01-4		39,990	3/4 paid
Gistro Advertising	New Labor Law – The New Communication	APS-2013-01-5		25,344	Paid
BIRN	Finalization of updated version of the Citizen's Budget Guide	APS-2012-01-05-F		8,787	1/2
Belgrade Open School (BOS)	Support for the Ministry of Finance through Internship Placements	APS-2014-01-1		16,000	Contracted
Subtotal				481,831	
TOTAL CONTRACTED USD				1,313,313	

Request for Proposals

TEAMNET World Professional Services (Purchase order) In-kind grant to be signed with the Securities Commission	Document Management System and Public Register	PO 2012-02		107,898	2/7 paid
OSA Racunarski inzenjering d.o.o.	Development of web-based inventory of spatial and urban planning documents	PO 2012-01/R		53,145	Contracted
Subtotal				161,043	
GRAND TOTAL				1,474,356	